

# FY 08-09 Budget

## Town of Fountain Hills



Draft



The height of desert living.

# FY 08-09 Budget

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## TOWN OF FOUNTAIN HILLS, ARIZONA

### MISSION STATEMENT

The Town of Fountain Hills' purpose  
is to **serve** the best interests of the community by:  
providing for its safety and well-being;  
**respecting** its special, small-town character and quality of life;  
providing superior public services;  
sustaining the public **trust** through open and responsive government;  
and maintaining the **stewardship** and preservation of its  
financial and natural resources.

**The height of desert living.**





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

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**Town of Fountain Hills**

**Arizona**

For the Fiscal Year Beginning

**July 1, 2007**

*Charles S. Cox*

President

*Jeffrey R. Enos*

Executive Director

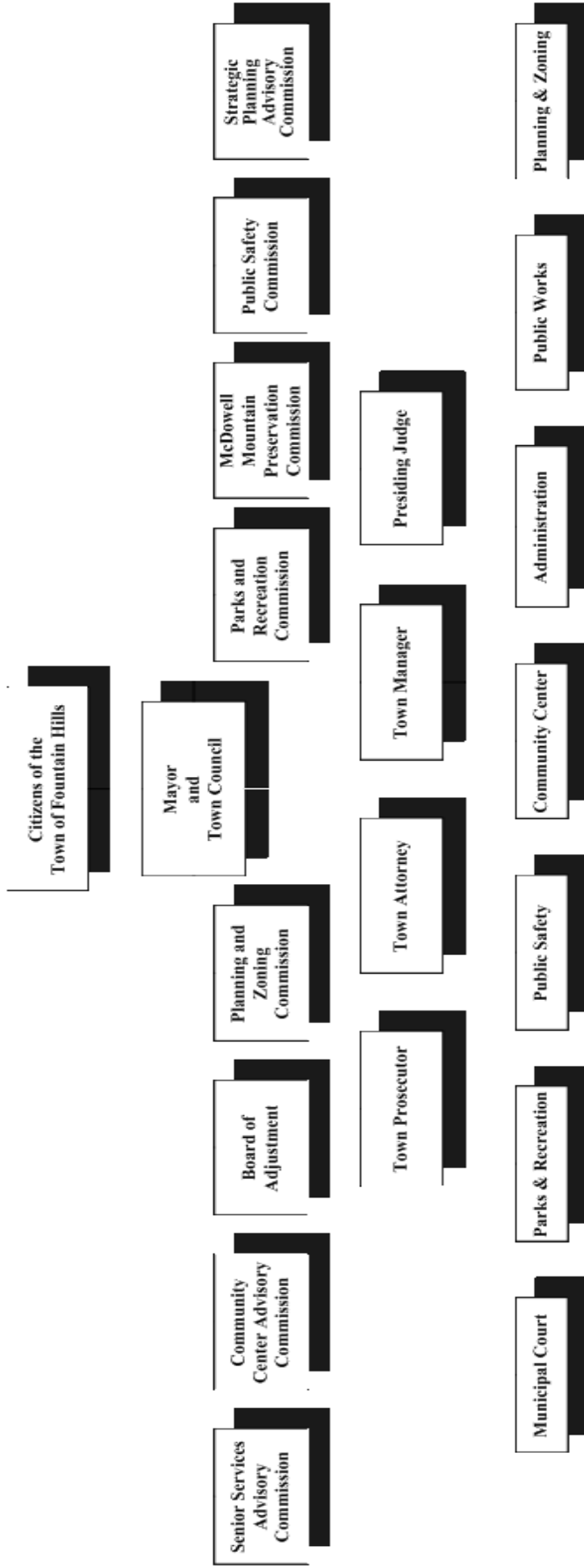


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# Organization Chart



# Community Profile

The Town of Fountain Hills is a master planned community established in 1970 by McCulloch Properties (now MCO Properties, Inc.). Prior to 1970 the area was a cattle ranch and was part of one of the largest land and cattle holdings in Arizona. The land was purchased by Robert McCulloch in the late 1960s and the community designed by Charles Wood, Jr. (designer of Disneyland in southern California).

One of the community's most valuable assets is its natural beauty. Incredible views and natural desert terrain provide for a wide range of outdoor activities including hiking, biking, boating and golf. In fact, Fountain Hills contains some of the more challenging and picturesque golf courses in the State of Arizona.

The centerpiece of Fountain Hills is our beautiful fountain; one of the world's tallest man-made fountains. It serves as a focal point for the community and attracts thousands of visitors each year.

Located on 12,996 acres of land, Fountain Hills is surrounded by the 3,500-foot McDowell Mountains and Scottsdale on the west, the Fort McDowell Yavapai Nation on the east, the Salt River Pima Maricopa Indian Community on the south and the McDowell Mountain Regional Park on the north. The elevation is 1,520 feet at the fountain, 3,000 feet on Golden Eagle Boulevard, and is 500 feet above Phoenix.

Over the past seventeen years Fountain Hills has grown from 10,190 residents to a town of 24,492 in 2007. The Maricopa Association of Governments (MAG) estimates that the population of Fountain Hills will continue to grow to a build-out population of between 30,000 and 35,000. Although the rate of growth has slowed due to the lack of available land on which to build, the Town continues to attract residents who are building large custom homes to take advantage of the scenic vistas surrounding our mountain community.

The Town offers a wide range of living accommodations; from small condominium complexes to large custom homes. Fountain Hills also offers recreational, cultural and retirement programs that address the needs and lifestyles of active families as well as older adults. The community consists of a total of 12,996 acres of property, primarily residential and open space (9,664 acres or 74%). Of the remaining land, 3,273 acres are developable, 334 acres are zoned commercial or industrial (approximately 3%) and 1,466 acres are right of way/streets (11%).

In 2006 Fountain Hills was named by Phoenix Magazine as the best place to live and was cited as "a welcome oasis on the outskirts of a metropolis." The magazine measured the quality of life in 22 Valley communities, including a statistical analysis of each community's population, income, home price, crime rate, miles to Sky Harbor Airport, and square feet of retail. The criteria used by the magazine in this ranking are similar to the priorities established in the Town's Strategic Plan. The volunteer spirit and high level of involvement of the citizens and business representatives were highlighted.

## Major Employers Town of Fountain Hills, Arizona

Residents of the Town can find employment in the Town of Fountain Hills, neighboring Scottsdale, the Fort McDowell Indian Community, or the municipalities that make up the greater Phoenix metropolitan area.

Town of Fountain Hills, Arizona  
Principal Employers,

2006 and Nine Years Ago

Employer	Type	2006		1997	
		Employees	Percentage of Total City Employment*	Employees	Percentage of Total City Employment*
Fountain Hills Unified School District No. 98	Education	285	2.26%	235	3.39%
Monks Construction	Construction	190	1.51%	None	N/A
Target	Retail	130	1.03%	None	N/A
MCO Properties, Inc.	Property Management	125	0.99%	85	1.22%
Safeway Food Stores	Grocery Store	110	0.87%	95	1.37%
Town of Fountain Hills	Government	87	0.67%	85	1.22%
Fry's	Grocery Store	80	0.63%	None	N/A
Basha's	Grocery Store	70	0.56%	70	1.01%
Sun Ridge Canyon Golf Course	Golf Course	70	0.56%	70	1.01%
Eagle Mountain Golf Course	Golf Course	70	0.56%	40	0.58%
Golf International	Golf Course	65	0.52%	50	0.72%
<b>Total</b>		<b>1,282</b>	<b>10.16%</b>	<b>730</b>	<b>10.52%</b>

**Source:** The 1998 and 2006 Arizona Industrial Directory; Greater Phoenix Chamber of Commerce; Community Profiles Arizona Department of Commerce; and an individual employer survey.

\* Employment information for 2006 as of May 2006. Arizona Unemployment Statistics Program, Special Unemployment Report, Arizona Department of Economic Security, Research Administration, CES/LAUS UNIT.

## Assessed Valuation of Major Taxpayers

Schedule 9  
Town of Fountain Hills, Arizona  
Top Ten Property Taxpayers  
2006 and Nine Years Ago.

Taxpayer	2006		Taxpayer	1997	
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value		Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Qwest Corporation	\$3,261,128	0.87%	Chaparral City Water Company	\$ 2,112,467	2.05%
Chaparral City Water Company	3,180,452	0.85%	U S West Communications Inc.	2,103,803	2.04%
Inland Western Fountain Hills Four Peaks	2,946,653	0.79%	MCO Properties Inc.	1,769,358	1.72%
WSL Fountain View Investors V LLC	2,251,544	0.60%	Eagle Mountain Investors LLC	715,908	0.70%
Target Corporation	2,030,676	0.54%	Safeway Inc. #1291	631,287	0.61%
MCO Properties LP	1,873,070	0.50%	Basha's	589,465	0.57%
Cox Communications Inc.	1,754,079	0.47%	Fourway Properties Limited Partnership	486,961	0.47%
En LLC	1,695,043	0.45%	City of Scottsdale	478,720	0.47%
Four Peaks Limited Partnership	1,593,577	0.43%	Fountain Hills Old Vine LP	371,149	0.36%
Adero Canyon LLC	1,585,520	0.42%	Golf International Inc.	316,115	0.31%
<b>Total</b>	<b>\$ 22,171,742</b>	<b>5.94%</b>	<b>Total</b>	<b>\$ 9,575,233</b>	<b>9.30%</b>

**Source:** Maricopa County Treasurer's Office.

**Note:** The schedule should include the ten largest taxpayers, unless fewer are required to reach 50% of the revenue base



# **Town Council**

**Wallace J. Nichols** was elected Mayor of Fountain Hills in May, 2003, and is currently serving in his second full term. Mr. Nichols' professional service was as an executive with WorldatWork, Nichols & Wharton, Inc., Premark International, Inc., Dart & Kraft International, Inc. and CPC International, Inc. He earned a Bachelor's degree in Economics at Tufts University and is an alumnus of the Harvard Business School.



He currently is President of Nichols International, Inc., a consulting and educational service to the human resource community and Chairman/CEO of Hawk Enterprises, Inc., a local rental/property management company. The Mayor is a current member of the Board of Directors of the Scottsdale Convention and Visitors Bureau, and Fountain Hills Cultural Council. He represents the Town as a member of the Maricopa Association of Governments. He served as an elected officer of the Fountain Hills Sanitary District, Los Arcos Multipurpose Facilities District Board, Scottsdale Boys & Girls Club Board, Fountain Hills Boys & Girls Club Advisory Chairman, Chairman of the Fountain Hills Community Center Advisory Commission, and on the Citizens Committee/Community Benefits Committee Board.

He is a member of the Noon Kiwanis, Fountain Hills Chamber of Commerce, Friend of the Fountain Hills Community Theater, Senior Center, Civic Association, Library Association, Fountain Hills Historical Society, and the Four Peaks Community Church.

**Keith McMahan** moved to Arizona in 1971 as an advertising writer with Lorne Pratt Enterprises, Inc., the ad agency for McCulloch Properties. He served in this capacity until 1991 when he formed his own company, McMahan and Company Advertising Agency. Keith has been actively involved in community projects and organizations since he came to Fountain Hills. He was the advertising and tourism chairman for the Chamber of Commerce for nine years as well as serving on their Board of Directors for three years. In 1997, he was honored as the "Business Person of the Year" by the Chamber of Commerce.



He served as an elected member of the Fountain Hills School Board from 1986 to 1990. For nine years, he was on the Road District Joint Powers Board, serving as chairman in 1978. He is presently a contributing member of several organizations: the Fountain Hills Civic Association, the Fountain Hills Republican Club, and the Fountain Hills Historical Society Board of Directors.

**Mike Archambault** moved to Fountain Hills in January 1972 from Columbus, Ohio, and was among the first ten families to live here. Mike worked with his father under the company name of Archie's Construction. In 1981, he started Fountain Hills Wood Whims, Inc., a custom cabinet shop that currently employs fifteen craftspeople.

As a tireless volunteer, Mike ran the annual "Secret Santa" program, bringing toys and smiles to children and food donations to needy families in Fountain Hills and the Fort McDowell Yavapai Nation for thirteen years. He served as a Cub Scout and Boy Scout leader for eleven years and was inducted into the Order of the Arrow. He served on the Building Committee of the Church of the Ascension, helped construct the original Town Library, and was heavily involved in building the Sunset Kiwanis Building in Kiwanis Park. One of Mike's recent projects used volunteers and many donations to construct the Veterans Memorial, a 12,000 square-foot plaza in Fountain Park. It memorializes those who serve and those who have made the ultimate sacrifice.

Mike served as president of the Fountain Hills Youth Association and as a leader in the Order of the Arrow ceremonial teams. He is a long-term member of the Sunset Kiwanis. He continues to support the Fountain Hills Band, Fountain Hills High School, the Helping Hands food bank, and the Town's Concerts in the Park program.

**Ginny Dickey** was elected to her first term on the Town Council during the Primary Election on March 14, 2006. Because she received the highest number of votes, the Town Council unanimously appointed her to fill an existing vacancy on the Council for the remainder of that term ending May 31, 2006.

A resident of Fountain Hills since 1983, Ginny was elected and served on the Fountain Hills Unified School District Board from 1994 to 2002, twice as President. A Charter Member of the Fountain Hills Cultural Council Board for seven years, Ginny also served nine years on the Fountain Hills Community Theater Board. She is a member of Metropolitan Business and Professional Women, the American Association of University Women, Scottsdale Branch, the League of Conservation Voters and the Sierra Club. She participated in all of the Fountain Hills Town Hall planning sessions, starting in 1984.

Ginny works as a Legislative Liaison for the Arizona Department of Environmental Quality. She previously was on the staff of the Arizona State Senate and has been a book-keeper and substitute teacher. Born and raised in New York, she lived in Vermont and New Hampshire before following her parents and family members to Fountain Hills. She has a Bachelor of Science degree in Mathematics from Boston's Tufts University.



**Ed Kehe** was born and raised in western New York. He received a Bachelor of Arts with honors from Albion College in Michigan and Master of Science from the University of Illinois. He earned sixty post graduate credits from Columbia University, State University of New York, New York University and City College of New York, leading to certificates in administration and directorships.

Ed's career in public secondary education spanned thirty-three years, six in Michigan and twenty-seven in New York, teaching mathematics, physical education, and coaching interscholastic sports. He retired in 1984 from White Plains High School in New York after fourteen years as Director of Athletics. Ed was inducted into the Westchester County (NY) Sports Hall of Fame.



Ed and wife Dolores moved to Fountain Hills in 1995. As a councilmember, he served on the Technical Advisory Committee in the Fountain Hills strategic planning process and was a member of the Town's negotiating team for the annexation of the state trust land.

Ed volunteers with Home Delivered Meals and serves on the boards of McDowell Mountain Park Association and the Golden Eagle Foundation. His local memberships include Church of the Ascension, Noon Hour Kiwanis, Fountain Hills Civic Association, Senior Activity Center, and River of Time Museum. He is a Friend of the Community Theater and a member of the Chamber of Commerce.

Originally from Massachusetts, **Henry Leger** moved to Arizona in 1970 to attend the University of Arizona. Henry and his wife, Janet, were attracted to Fountain Hills because of its natural beauty, small town character and because it is a safe place to live and raise a family. Henry holds a Master's Degree in Educational Psychology from the University of Arizona and has worked as a professional in the field of leadership and organizational development for the past 25 years. Throughout his career, he has held a number of leadership positions in education and government and has worked as an internal consultant for several Fortune 500 companies.



As a long time resident, Henry immersed himself into Fountain Hills society by volunteering much of his time on community activities and initiatives. He has been very active in his neighborhood property owners' association serving as a board member, treasurer and member of the association's Committee of Architecture.

Henry served as President and Vice President of the Church Council at Shepherd of the Hills Lutheran Church in Fountain Hills and has been involved in his children's education as a teacher's aide and parent volunteer. Henry served as a member of the Technical Advisory Committee, Co-chair of the Youth Visioning Institute, and member of the survey team for the town's citizen-driven strategic planning initiative

**Jay Schlum** moved to Fountain Hills 27 years ago and attended Coronado High School in Scottsdale. After graduation he attended Northern Arizona University where he studied Business Management and Public Speaking. After college, he returned to Fountain Hills and is currently employed by Qwest Communications where he manages business development for the company.

Jay has been very active in the Fountain Hills community. He served as a Fountain Hills Planning and Zoning Commissioner, PTA vice president and is actively involved with the local Community Theater. Jay volunteers and performs in productions. He has also served on the advisory committee for the Boys and Girls Club of Fountain Hills.

Presently, Jay is a coach with the Fountain Hills Little League.



## Elected Officials Terms of Office

### **Mayor Wally Nichols**

Term of Office:	Partial term:	May 2003 – May 2004
	First term:	June 2004 – May 2006
	Second term:	June 2006 – May 2008

### **Mike Archambault**

Term of Office:	First term:	June 2002 – May 2006
	Second term:	June 2006 – May 2010

### **Ginny Dickey**

Term of Office:	Partial term:	April – May 2006
	First term:	June 2006 – May 2010

### **Ed Kehe**

Term of Office:	First term:	June 2004 – May 2008
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### **Henry Leger**

Term of Office:	First term:	June 2006 – May 2010
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### **Keith McMahan**

Term of Office:	First term:	June 2004 – May 2008
	Second term:	June 2008 – May 2010

### **Jay Schlum**

Term of Office	First term:	June 2004 – May 2008
Term as Mayor	First term:	June 2008 – May 2010

### **Cassie Hansen**

Term of Office	First term:	June 2008 – May 2010
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# **Budget Message**

## **To the Honorable Mayor and Town Council:**

I am pleased to submit the Operating and Capital Improvement Budgets for the Town of Fountain Hills for the fiscal year beginning on July 1, 2008 and ending June 30, 2009 (FY2008-09). This budget is balanced and designed to convey to the public a budget message that articulates priorities and issues for the upcoming fiscal year. The budget also highlights any issues facing the staff in developing the budget, as well as short-term financial and operational policies that were instrumental in guiding the development of the annual budget. Although each fund should be viewed individually, the Town's total budget, including all funds, is estimated at \$28.4M in expenditures, with projected revenues of \$24.9 million (reserves in the capital projects fund will be used to fund projects). Due to an uncertain economic future the staff has taken a very conservative approach when projecting FY2008-09 revenues and included only those expenditures that are consistent with the Council's goals.

The Town uses a "budgetary basis of accounting" in preparing the annual budget which is different from the basis of accounting for financial reporting in accordance with generally accepted accounting principles (GAAP). For example, budgetary expenditures may include items classified as transfers to an internal fund, Vehicle Replacement Fund, but are not reported in the annual financial report.

As in years past, the main focus of the proposed budget is the General Fund, the Town's largest fund, which supports basic services. Developing the proposed budget required making choices to achieve a budget that balances the available resources with the Council goals, while maintaining a level of service that enhances the quality of life in Fountain Hills. In developing the proposed budget, Town staff followed a zero-based approach, leading to a focused review of services delivered by the Town, increased scrutiny of expenditures, and prioritization of programs to be funded using limited resources. Additionally, the Town will focus on funding one-time capital projects with one-time revenue sources, such as construction funds and excess revenues in the General Fund. Ongoing operating costs should be funded with stable and reliable revenue sources.

The Town is proposing a conservative balanced budget that includes appropriations for the goals and priorities established by the Town Council. The Town Council met in February, 2008 to develop goals and objectives for the FY2008-09 budget year as part of the annual planning process. At the retreat the Council established eight goals consistent with the strategic plan and a series of objectives to achieve those goals, as guidance to the Town staff. The Interim Town Manager and staff then met to prepare an implementation plan to be incorporated into the FY2008-09 budget.

### **Strategic Goals and Objectives**

The majority of the initiatives apply to strategic priorities that were adopted in the Town's Strategic Plan 2006-2010

- ♦ Strategic Focus Area: Education
  - Higher education and continuing education and support of educational excellence
  - Create lifelong learning opportunities
- ♦ Strategic Focus Area: Physical Planning Zoning and Architecture
  - Require new developments to use native vegetation
  - Strictly enforce General Plan and Zoning ordinances

Establish controls over commercial architectural compatibility  
Annex State Trust Land

- ♦ Strategic Focus Area: Parks and Recreation  
Add new amenities to Parks and Recreation system
- ♦ Strategic Focus Area: Small Town Atmosphere and Town Identity  
Strengthen the community's small town identity
- ♦ Strategic Focus Area: Municipal Government Services  
Increase pedestrian safety  
Ensure all streets in Fountain Hills are well maintained and smooth
- ♦ Strategic Focus Area: Preservation of the Environment  
Enhance dedication to stewardship of the natural environment

### **Short term initiatives**

The budget for FY2008-09 was guided by the current economic environment which is expected to provide fewer building permits and flat retail activity. Due to the uncertainty in the Town's economic future there are no new staff positions requested for the upcoming fiscal year. Any new projects directed by the Town Council will have to be managed with existing staff. In addition, the following short term initiatives were established during the Town Council retreat in February, 2008 as direction to the staff:

Develop financial implementation plan for strategic priorities:

**Goal 1.** To restructure financial policies for fiscal efficiency, for the benefit of taxpayers.

Work with local schools:

**Goal 2.** To enhance and nurture the relationships with local schools for the benefit of the community.

Annex State Trust Land:

**Goal 3.** To ensure that development of the Ellman property (former State Trust Land) will be compatible with the character of the rest of the community in areas such as aesthetics, density, traffic and housing development standards.

Strengthen small town identity:

**Goal 4.** To increase community initiatives to strengthen our small town character.

Maintain smooth streets:

**Goal 5.** To evaluate the Pavement Management Analysis for the community.

Enhance stewardship of the natural environment

**Goal 6.** To implement the environmental plan to enhance stewardship of our environment.

Commercial vitality and business development:

**Goal 7.** To improve economic development, business vitality and relationships between the Town and businesses, to benefit our community.

## Communication

**Goal 8.** To tailor the communications now available to the various demographics of the community.

Upon adoption of the Town Council goals, specific work-plans are developed in each of the operating divisions to ensure that Fountain Hills residents can monitor the improvement in Town services and the achievement of the Council's goals. The matrix below indicates which departments/divisions are responsible for the implementation of FY2008-09 goals and objectives and shows the relationship between the activities performed by the operating divisions and the effect on operating budgets reported in the division budget summaries.

Goal	Planning & Zoning	Administra- tion	Park & Recreation	Public Works	Estimated FY08-09 Costs
1. To restructure financial policies for fiscal efficiency, for the benefit of taxpayers.		✓			\$0
2. To enhance and nurture the relationships with local schools for the benefit of the community.		✓			\$0
3. To ensure that development of the Ellman property (former State Trust Land) will be compatible with the character of the rest of the community in areas such as aesthetics, density, traffic and housing development standards.	✓				\$0
4. To increase community initiatives to strengthen our small town character.			✓		\$3,000
5. To evaluate the Pavement Management Analysis for the community.				✓	\$19,400
6. To implement the environmental plan to enhance stewardship of our environment.	✓				\$38,250
7. To improve economic development, business vitality and relationships between the Town and businesses, to benefit our community.		✓			\$68,830
8. To tailor the communications now available to the various demographics of the community.		✓			\$68,500

For the past six years the Town of Fountain Hills has received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. This award is presented to government entities that meet certain criteria in the presentation of their budget. This “Budget At A Glance” section is designed to provide the layperson with a broad view of the contents included in the FY2008-09 Fountain Hills budget, its processes, issues and anticipated outcomes. Document sections are cited in order to guide the reader to more in-depth information and explanation of the drivers of Fountain Hills operating budget and capital improvement program.

### **Economy**

Under the proposed budget, General Fund revenues for FY2008-09 are projected to decline 6% compared to the FY07-08 budget including a drop in State Shared Revenues of \$185,748. The increase in income tax revenues is based on two years prior corporate and individual income taxes; therefore, it is expected that this source of revenue will decline within two years based on the slowdown in the 2006 economy. Similarly, revenues from construction related permits are anticipated to decline over 25% during FY2008-09 with the decline in single family housing permits.

General Fund expenditures are budgeted at 7.9% less than last years’ budget to match available resources. Fountain Hills’ goals are long-term and address the entire organization, such as the long-term impacts of revenue shortfalls related to the decline of construction related activity revenue due to build-out. The Town is approaching a population of 25,000 with an expected population at build-out of 32,000 including newly annexed State Trust Land property. These long-term forecasts show that the Town’s operating costs will begin to outpace revenues and alternative revenue sources or program cuts will need to be considered. Given the cyclical nature of the economy, it is difficult to project revenues two or more years into the future with any degree of certainty. However, the long-range forecasts serve as an early warning that the Town must continue to exercise restraint in its long-term fiscal planning. The Town is past its highest historic period of expansion; with an economy that is maturing and moving to a slower – and more sustainable – level of growth.

### **Budget Highlights**

Key initiatives of the proposed FY08-09 budget include the following - a more detailed analysis of all the Town’s revenues and expenditures is included in the budget summary and department sections.

- ◆ Water wise campaign
- ◆ Constituent communication
- ◆ Desert Vista Neighborhood Park
- ◆ Volunteer recognition program
- ◆ Stormwater program Phase I implementation
- ◆ Hazardous materials disposal program
- ◆ Resurfacing all tennis courts
- ◆ Increased community events
- ◆ Way finding signs

Maintenance of the Reserve Fund - The proposed budget continues the policy of setting aside a reserve equal to 30% of the General Fund budget to ensure that the Town can provide basic services in the event of major emergencies. This reserve is also very important in retaining the Town’s AA3 bond ratings. Reserves in excess of the fund balance policy are transferred to the Capital Projects fund for future appropriation by the Council.

Projected excess General Fund revenues in the amount of \$0.4M will be transferred to the Capital Projects Fund on June 30, 2008, per Resolution 2005-50 adopted in September, 2005. With projected expenditures of \$3.0M in the Capital Projects Fund in FY2008-09 the estimated balance as of June 30, 2009, will be \$6.2M.

### **A Debt of Gratitude**

I would like to offer my special thanks to the Fountain Hills Mayor, Town Council members, and the numerous commission members for their many hours of volunteer service without which the Town could not function in the fine manner that it has over the years. This volunteer core of more than 200 citizens offers Town staff a vast bank of knowledge about subjects that contribute not only to planning for the present, but also for the future of Fountain Hills.

I would also like to thank the Town of Fountain Hills department directors and supervisors for their patience and great effort in preparing their departmental budgets. The directors and their staff attended several sessions with the executive budget team of the Finance Director and Interim Town Manager to justify their programs, develop cost estimates, and answer many questions. The team's efforts have resulted in a balanced budget, which achieves the Council's current goals, and assists in future planning towards the vision of Fountain Hills.

Respectfully submitted,

Kate Zanon  
Interim Town Manager

# **Financial Overview**

## **Fund Structure**

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Town resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The Town of Fountain Hills appropriates all funds in its budget process.

The **General Fund** (Fund 1) is the primary operating fund of the Town. It exists to account for the financing of services traditionally associated with local government. These services include police and fire protection, public works, parks and recreation, planning and zoning, building safety, code enforcement, general administration, and any other activity for which a special fund has not been created.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Town maintains the following five (5) Special Revenue Funds: Highway Users (HURF), Court Enhancement, Special Programs and Grants, Development Fees, Excise Tax.

The Highway User Revenue Fund (HURF) (Fund 2) is funded by State Shared Revenues. The State of Arizona taxes motor fuels and collects a variety of fees and charges relating to the registration and operation of motor vehicles. These revenues are deposited in the Arizona Highway User Revenue Fund (HURF) and are then distributed to the cities, towns and counties and to the State Highway Fund. This fund may only be used for street and highway purposes.

The Court Enhancement Fund (Fund 7) is a restricted fund which may only be used to enhance the technological, operational and security capabilities of the Fountain Hills Municipal Court and to support the operation of the collection program. Revenues are derived from Court Fees and Bond Forfeitures.

The Special Revenue Fund (Fund 8) is restricted by the terms of the individual Grants or Program funds received. An example of this would be LTAF II. Local Transportation Assistance Fund II is distributed by the State of Arizona based on population. This revenue source supports transit uses only and has been funded solely by Powerball earnings since 2003.

The Development Fee Fund (Fund 5) is a restricted fund which may only be used for the planning, design and construction of public facilities serving the new development from which it was collected. The Town is required to develop an Infrastructure Improvement Plan that identifies each public improvement that is proposed to be the subject of a development fee. This IIP is incorporated as part of the Town's Capital Improvement Plan (CIP). The Development Fees must be expended within six (6) years of collection or re-funded to the taxpayer.

The Excise Tax Fund (Fund 9) is a restricted fund which may only be used for Downtown Development, and the repayment of Civic Center and Mountain Bonds. Revenue for this fund comes from .4% of Local Sales Tax collections that have been dedicated for this purpose.

The **Capital Projects Fund** is established to account for the purchase and/or construction of major capital items, including facilities, heavy equipment, technology, open space, park improvements and major road improvements. The Capital Projects Fund revenues are derived from Development Fees, Grants, excess General Fund revenues and 85% of the construction related local sales tax.

The **Debt Service Funds** are established for the payment of principal and interest on bonded indebtedness. Revenues are derived from a secondary property tax levy, pledged excise taxes, municipal property lease payments and shared revenues. Debt Service funds include:

General Obligation Debt Service (Fund 320)

Revenue Bond Debt Service (Fund 310)

Municipal Property Corporation Debt Service (Fund 350)

Eagle Mountain CFD Debt Service (Fund 330)

### **Budgetary and Accounting Basis**

The budget is prepared on a modified accrual basis of accounting for all fund types. This means that expenditures are recorded when the related fund liability is incurred, and revenues are recognized only when they are measurable and available. In all cases, when goods and services are not received by year-end, the encumbrances lapse. It also means certain transactions are recognized in the budget on a basis other than Generally Accepted Accounting Principles (GAAP), which is the basis used to prepare the Town's Comprehensive Annual Financial Report (CAFR). The major differences between the budgetary and GAAP basis are:

Certain revenues, expenditures and transfers are not included on a budget basis, but are accrued and reported on a GAAP basis. For example, increases or decreases in compensated absences are not reported for budget purposes, but are presented as revenues or expenditures on a GAAP basis.

Depreciation is not budgeted as an expenditure in budgetary accounting.

Capital outlays are an expenditure in budgetary accounting and an asset in GAAP.

Certain debt service principal and interest payments are accounted for as expenses in the General Fund for budget basis purposes, but are reported as expenses in the Debt Service Fund on the GAAP basis.

All actual amounts in the budget document are shown on the budgetary basis to facilitate meaningful comparisons.

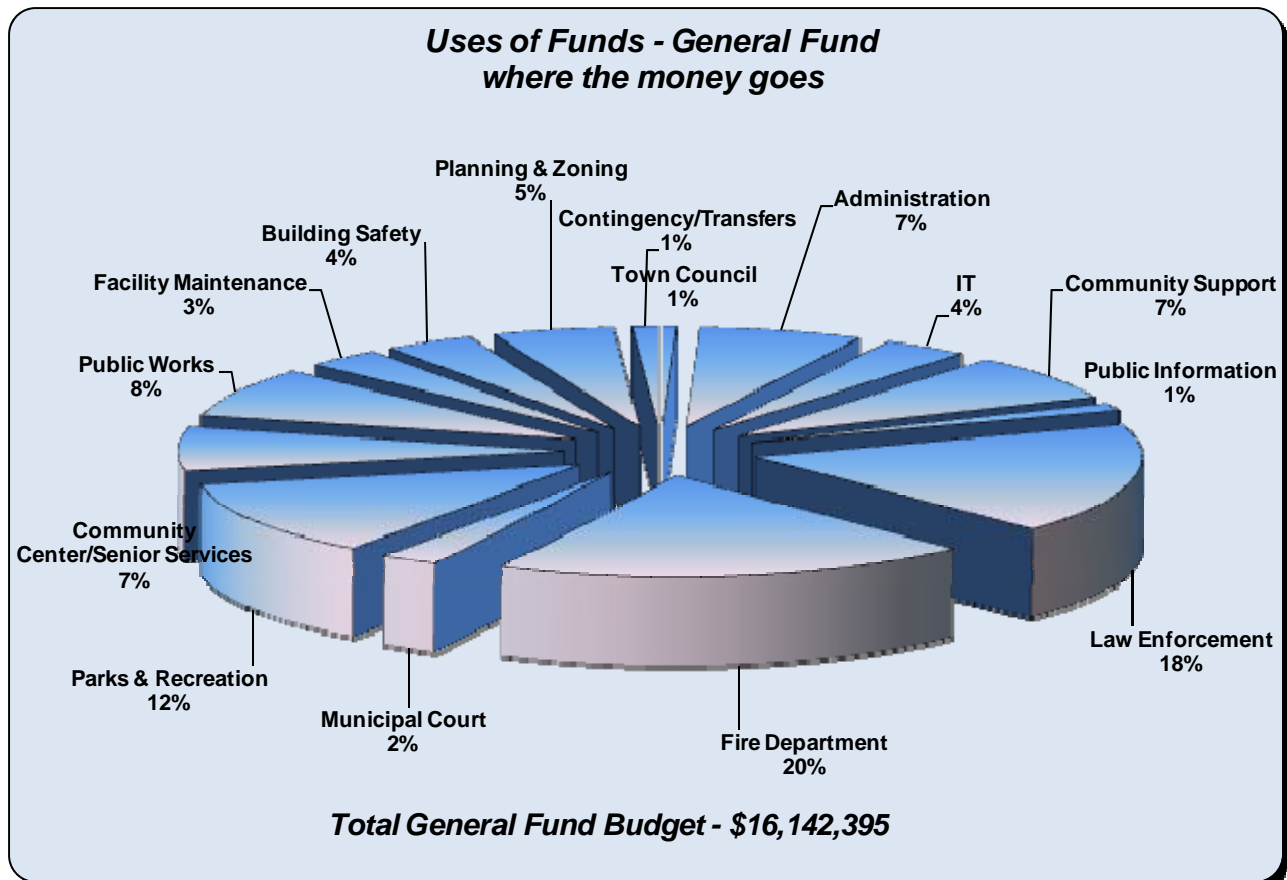
### **Operating and Capital Budget Relationship**

Included within the annual budget is a Capital Improvement Project Plan presented on a budget basis. Capital project budget funding sources are matched with budgeted expenditures. Governmental accounting procedures require adequate budget to pay for an entire contract to be available and appropriated in the period in which a contract is entered; therefore, expenditures are presented on a budget basis as opposed to cash flow basis.

For example, a 180 day construction contract entered into in May of fiscal year one would have cash expenditures from May of fiscal year one through October of fiscal year two, however, the entire budget for this contract must be appropriated in fiscal year one, the year in which the contract was entered; any unspent funds at fiscal year-end are carried forward and budgeted again in year two.

### General Fund Expenditures

General fund operating expenditures are estimated at \$16,142,395 for FY2008-09. The following chart summarizes operating expenditures by department and/or operational area.



This section provides a broad overview of the revenues and expenditures included in the FY2008-2009 budget. Information is presented for general, special revenue, debt service and capital project funds.

Total revenues for all funds are estimated at \$24.9M; the general fund portion of \$16.1M represents approximately 65% of the total. Special revenue funds represent another 19% of the budget. Debt service represents 9% and capital projects represent the remaining 6% of the total revenues.

### **All Funds Expenditure Summary**

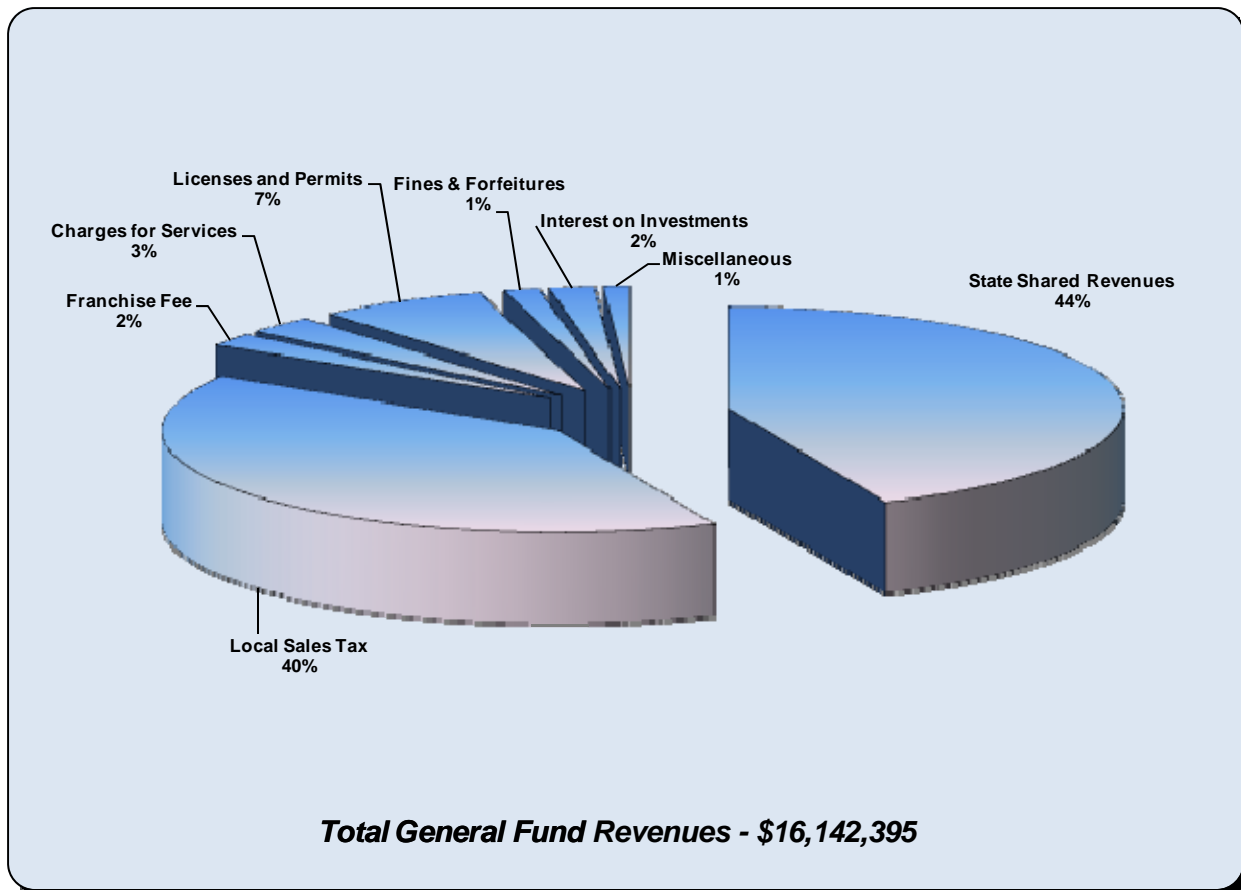
Total expenditures for all funds are \$28.4M, including transfers; the general fund portion of \$16.1M represents 57% of the total. Highway User Revenue Fund (streets and highways) represents 8% of the total Town budget. Other special revenue funds represent 7% of the budget, with debt service and capital projects representing the balance.

Total proposed expenditures for all funds for FY2008-09 are 9.5% lower than the FY2007-08 budget. In addition, general fund expenditures are 8.% less than the FY 2007-08 budget.

### General Fund Budget Overview

The General Fund supports core services and is the largest fund with the greatest potential for revenue fluctuations. Revenues from taxes, license and permit fees, and charges for services provide resources to fund programs and services delivered by the Town.

The revenues forecasted in this budget reflect a guarded optimism, tempered by the reality that the local, state and national economies are complex and uncertain. The proposed budget is based on projections that are conservative and based on the expectation that the local and national economy will continue at a normal pace. Total General Fund revenues are expected to decrease by 1.9% over FY07-08 estimated revenues – due to decreases in state shared revenues and local sales tax revenues. As the chart below shows, 84% of the Town's general fund resources are derived from local sales tax and state shared revenues, similar to many other cities and towns in Arizona.



It should be noted that these sources of revenue are very sensitive to the upward and downward cycles of the economy as well as to annual legislative appropriations. Additionally, these revenues are distributed to cities and towns based on each municipality's population compared to that of the entire state. Some municipalities have abundant available land for expansion and will continue to grow in population, while others, like Fountain Hills, have fixed borders and limited population growth. Over time, Fountain Hills will, therefore, represent a smaller and smaller percentage of the total and will be allocated a smaller percentage of state shared revenues.

Through the strategic planning process the Town is preparing a revised twenty-year revenue and capital improvement plan that will identify when one-time revenues will go away and facilitate the multi-year and capital improvement planning.

Proposed general fund expenditures for FY08-09 are \$16.1 million, including transfers for debt service, vehicle replacement and capital improvement projects.

### **Salaries and Benefits.**

There are a total of 87.75 full time equivalent employees (FTE)'s proposed for fiscal year 2008-2009, compared to 106 in FY2002-03.

Most Town employees' salaries and benefits are funded through the general fund (exceptions are Street division and Downtown Development staff who are funded with restricted revenues). Salaries include wages, overtime, vacation and merit pay. An allowance of 4.5% of the budgeted salaries line item is available for pay for performance merit increases.

Employee benefits include health insurance, employer taxes, disability, worker compensation insurance, and employer match retirement contributions. The total salaries and benefits proposed for fiscal year 2008-2009 for all funds are \$5.6 million, or 19.7% of the total budget.

### **Contractual Services**

The following positions are reclassified or have title changes to better reflect responsibilities:

<b>2007-08 Position Title</b>	<b>2008-09 Position Title</b>
Planner	Planner – Environmental
Engineering Tech/CAD Operator	GIS Technician/CAD Operator
Community Center Operations Supervisor	Community Center Event Coordinator
Community Center Operations Worker	Community Center Operations Coordinator
Community Center Operations Worker	Community Center Event Representative
Street Maintenance Technician	Traffic Signal Technician I
Street Maintenance Technician	Traffic Signal Technician II
Administrative Assistant	Senior Services Activities Coordinator

The Town contracts with outside professionals for a number of services. Two major contracts included in this category are: 1) Fire protection and emergency medical services (\$3,028,332), currently under contract with Rural Metro Corporation; and 2) police protection (\$2,742,877) currently provided through the Maricopa County Sheriff's Office.

Contractual services also include contributions that the Town makes to non profit organizations for the provision of certain programs on behalf of the Town. The town issued Request for Proposals for services that the Town does not provide – specifically, Youth Services, Youth Arts, Social Services, and Tourism. Total funding for these programs for Fiscal Year 2008-2009 is \$455,000 and is budgeted in the Operational and Community Support program.

The Town also provides an elderly and handicapped transportation program through contract with Maricopa County. FY2008-09 funding for this program is budgeted at \$90,000 and is included in the Administration Department budget.

### **Repairs and Maintenance**

Repairs and maintenance include annual landscape maintenance contracts, equipment and vehicle repairs, and facilities maintenance (janitorial, building maintenance, etc.). Maintenance of the Town's 121 acres of parks, Town medians, dams, and washes are provided by independent contractors. These contracts are solicited through a bid process to obtain the most competitive price for the Town.

### **Supplies and Services**

Supplies and services include operational costs such as utilities, insurance, office supplies, etc. for Town Hall and other Town-owned buildings. The Town owns the Library, the Museum, the Community Center, two fire stations, a vehicle maintenance facility, the Kiwanis building, and the Community Theater building. Other items in this category are gas and oil, postage, travel, and communications.

### **Capital Outlays**

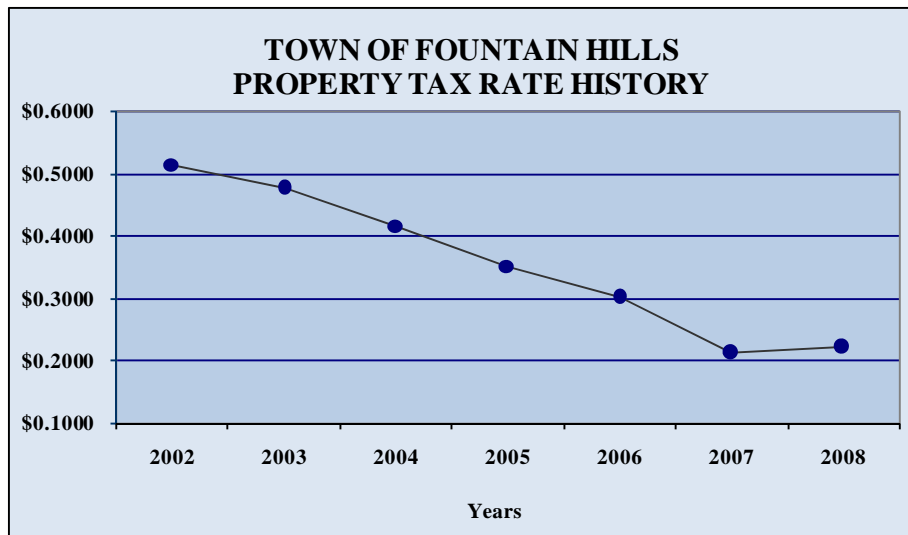
Capital outlays include the purchase of furniture and equipment, and the improvement of Town facilities with a cost of at least \$10,000 but less than \$50,000. Expenditures of \$50,000 or more are included in the Capital Improvement Program.

New and ongoing capital project requests are proposed from development fees, particularly improvements to Desert Vista Neighborhood Park (partially grant funded), traffic signals and improvements to the botanical garden.

Development fees are restricted and may only be spent with Council approval. Additionally, expenditures from this fund are also restricted by Ordinances 00-21 through 00-26 which state that the expenditures cannot be "appropriated for funding maintenance or repair of public facilities nor operational or personnel expenses associated with the provision of the public facility". However, appropriations can be made by the Council for financing public facilities and public facility expenditures, and capital expenditures related to maintaining the level of service standards for existing town residents (streets).

### Debt Service Funds Overview

Total debt service revenues for fiscal year 2008-2009 are budgeted at \$1.8 million including secondary property taxes for voter approved bonds, transfers from Highway User Revenue Funds to pay for road improvements, transfers from the General Fund for the Community Center and excise taxes to pay for Municipal Property Corporation (MPC) debt (mountain bonds and Civic Center phase II). The chart below shows a history of the Fountain Hills secondary property tax rate for the voter approved projects. The levy for FY08-09 is projected to be \$.2213 per \$100 of assessed valuation.



### **Expenditure Limitation**

Each year the Economic Estimates Commission of the State of Arizona develops expenditure limits for local governments in Arizona based on a formula using 1979-80 expenses adjusted for inflation and population growth. Cities and town are required to stay within the limits or incur a penalty (reduction in State Shared revenues).

The final FY08-09 expenditure limitation for the Town of Fountain Hills is \$26,927,970; the limit applies to FY09 expenditures of the Town (all funds) but allows for certain exemptions and deductions. For example, debt service payments, HURF and grant expenditures are not included when determining compliance with the expenditure limitation. However, development fee and capital project expenditures are subject to the limitation. The following table is an estimate of the Town's expenditure limitation, deductions and exclusions and final spending authority.

#### **EXPENDITURE LIMITATION ANALYSIS (Estimate)**

Total Expenditures	\$28,427,890
Exclusions from Revenues:	
Debt Service Payments	\$2,556,810
Dividends,Interest,Gains	\$530,000
Grants	\$2,075,847
Received from State(LTAF, GETUM Grants)	\$113,600
Contributions from private organization	\$0
Highway User Revenues excess 1979-80	\$1,763,000
Prior Years Carryforward	\$2,694,279
Total Exclusions	\$9,733,536
Expenditures subject to limitation	\$18,694,355
Expenditure Limitation	\$26,927,970
Under/(Over) Limitation	\$8,233,615

## Transfers

The FY08-09 budget includes transfers between funds for such items as the annual debt payment on the Community Center, depreciation charges for replacing Town equipment, capital projects, etc. A schedule of interfund transfers budgeted for FY08-09 and an explanation of each is shown on the following page.

### Summary of Revenues, Expenditures and Transfers Fiscal Year 2008-09

Fund	Estimated Beginning Fund Balance	Estimated Revenues	Appropriations	Transfers In/(Out)	Estimated Ending Fund Balance
01 General Fund	\$6,600,149	\$16,326,919	(\$15,405,612)	(\$736,784)	\$6,784,672
02 Highway Users Rev Fund	\$314,677	\$1,927,600	(\$1,199,950)	(\$1,007,334)	\$34,993
05 Development Fees-Streets	\$367,962	\$214,000	(\$28,000)	(\$255,000)	\$298,962
05 Development Fees-Open Space	\$1,656,982	\$44,550	(\$11,200)	(\$237,160)	\$1,453,172
05 Development Fees-Parks	\$508,237	\$76,010	(\$18,900)	(\$565,000)	\$347
05 Development Fees-Library	\$27,588	\$8,965	(\$210)	\$0	\$36,343
05 Development Fees-Fire	\$33,455	\$9,785	(\$140)	\$0	\$43,100
05 Development Fees-Law	\$175,048	\$43,575	(\$630)	\$0	\$217,993
05 Development Fees-Gen Gov't	\$484,053	\$91,700	(\$10,920)	\$0	\$564,833
08 Special Revenue (Grants)	\$0	\$2,075,847	(\$1,500,000)	(\$575,847)	\$0
07 Court Enhancement	\$200,919	\$28,000	(\$90,000)	\$0	\$138,919
09 Downtown Development	\$759,118	\$295,859	(\$201,835)	\$0	\$853,142
200 Vehicle Replacement (VRP)	\$0	\$0	\$0	\$156,900	\$156,900
310 Revenue Bond Debt Service	\$4,418	\$0	(\$115,843)	\$115,843	\$4,418
320 G O Debt Service	\$33,324	\$1,401,500	(\$1,340,364)	\$0	\$94,460
330 Eagle Mtn CFD Debt	\$7,237	\$379,000	(\$376,360)	\$0	\$9,877
350 MPC Debt Service	\$1,342,759	\$917,577	(\$1,337,486)	\$387,000	\$1,309,850
450 Cottonwoods Imp Dist	\$5,397	\$3,850	(\$3,850)	\$0	\$5,397
500 Capital Improvement Fund	\$8,920,315	\$706,154	(\$6,166,398)	\$2,717,382	\$6,177,453
<b>Total</b>	<b>\$21,441,638</b>	<b>\$24,550,891</b>	<b>(\$27,807,698)</b>	<b>\$0</b>	<b>\$18,184,831</b>

### Explanation of Transfers

Transfer Out	Transfer In	Amount	Explanation
General Fund	MPC Debt Service	\$387,000	Annual debt payment for Community Center
	CIP	\$200,000	Municipal Software
	Vehicle Replacement	\$168,909	Interfund charge for Vehicle Replacement
Highway User (HURF)	Debt Service Fund	\$115,843	Annual debt payment for street paving bonds
	CIP	\$825,000	Capital road improvements
Grants	Vehicle Replacement	\$66,491	Interfund charge for Vehicle Replacement
	Vehicle Replacement	\$33,500	Matching funds for van purchase
	General Fund	\$19,125	DEQ grant for hazardous materials collection
Development Fees	CIP	\$523,222	Completion of Desert Vista Park
	CIP	\$1,057,160	Capital projects
Vehicle Replacement Fund	CIP	\$112,000	Purchase Town vehicles

## **Reserves**

In May 2003, the Town Council adopted a formal fund balance policy appropriating funds as designated reserves for future capital expenditures, a contingency fund for unanticipated expenditures and/or revenue shortfalls, and an undesignated reserve fund. An important component of the reserve funds is an amount set aside that is not available for appropriation but will be maintained at a level that will satisfy the public and financial community regarding the fiscal stability of the Town, referred to as undesignated reserves. This proposed budget exceeds the policy requirement with a projected general fund balance for June 30, 2008, therefore, \$0.4M will be transferred to the Capital Projects Fund on June 30, 2008. A contingency amount of \$175,000 is included in the General Fund under non-departmental for minor unforeseen expenditures.

As the Town's primary operating fund, the general fund accounts for all financial resources except those that are required to be accounted for in other funds. The end of the fiscal year fund balance is projected to be \$6,600,149 (after transfers). This is well above the Town's financial policy level fund balance of at least 30% of general fund budgeted revenues.

The Highway User Refund Fund (HURF) estimated ending fund balance for FY08-09 is anticipated to decrease by 89% from the prior fiscal year. The reason for this is that during FY08-09 it is anticipated that major capital road maintenance projects will be completed. The HURF fund is a restricted fund that may only be used for streets and highways.

The Development Fee fund is another restricted fund and accumulates revenues from building permits with proceeds used for major capital expenditures, some of which take many years of savings to accomplish.

## Summary of Revenues

Source of Revenues	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Estimated	FY 2008-2009 Proposed
<b>GENERAL FUND</b>					
<b>Intergovernmental</b>					
State Sales Tax	\$2,170,940	\$2,327,899	\$2,494,340	\$2,275,200	\$2,215,242
Fire Insurance Premium Tax	\$125,567	\$124,754	\$125,500	\$125,500	\$130,520
Shared Income Tax	\$2,118,592	\$2,780,715	\$3,449,440	\$3,449,440	\$3,610,480
Vehicle License Tax	\$974,452	\$1,014,853	\$1,140,010	\$982,800	\$1,067,300
<b>Total Intergovernmental</b>	<b>\$5,389,551</b>	<b>\$6,248,222</b>	<b>\$7,209,290</b>	<b>\$6,832,940</b>	<b>\$7,023,542</b>
<b>Taxes &amp; Franchise Fees</b>					
Local Sales Tax	\$8,786,172	\$7,745,747	\$6,914,185	\$6,914,185	\$6,508,903
Franchise Tax	\$314,359	\$324,318	\$320,000	\$320,000	\$332,800
<b>Total Taxes</b>	<b>\$9,100,550</b>	<b>\$8,066,378</b>	<b>\$7,234,185</b>	<b>\$7,234,185</b>	<b>\$6,841,703</b>
<b>Charges for Services</b>					
Parks & Rec User Fees	\$157,193	\$153,219	\$243,571	\$153,300	\$155,683
Senior Services Fees	\$65,798	\$98,947	\$80,000	\$74,000	\$79,551
Community Center Rental Fees	\$190,052	\$184,592	\$197,000	\$203,000	\$198,600
Community Center Bar Sales	\$28,546	\$17,658	\$32,300	\$24,000	\$24,480
<b>Total Charges for Services</b>	<b>\$441,589</b>	<b>\$454,416</b>	<b>\$552,871</b>	<b>\$454,300</b>	<b>\$458,314</b>
<b>Licenses and Permits</b>					
Animal License Fees	\$37,378	\$41,636	\$43,200	\$38,000	\$37,986
Business License Fees	\$108,655	\$112,828	\$116,795	\$116,795	\$117,995
Building Permit Fees	\$1,564,000	\$934,549	\$1,094,240	\$806,100	\$812,780
Landscape Permit Fees	\$0	\$7,860	\$60,480	\$20,000	\$20,000
Rezoning/Variance Fees	\$23,711	\$35,111	\$30,800	\$60,000	\$34,000
Encroachment Fees	\$44,929	\$43,810	\$20,000	\$15,000	\$25,000
Subdivision Fees	\$21,400	\$49,006	\$45,000	\$138,600	\$50,000
Improvement Plan Review Fee	\$4,947	\$14,519	\$25,320	\$20,000	\$21,000
<b>Total Licenses and Permits</b>	<b>\$1,805,020</b>	<b>\$1,239,318</b>	<b>\$1,435,835</b>	<b>\$1,214,495</b>	<b>\$1,118,761</b>
<b>Fines and Forfeitures</b>					
Court Fines	\$214,008	\$281,173	\$209,705	\$220,000	\$234,600
<b>Total Fines and Forefeitures</b>	<b>\$214,008</b>	<b>\$281,173</b>	<b>\$209,705</b>	<b>\$220,000</b>	<b>\$234,600</b>
<b>Interest on Investments</b>					
Interest on Investments	\$130,000	\$467,163	\$350,000	\$300,000	\$300,000
<b>Total Interest</b>	<b>\$130,000</b>	<b>\$467,163</b>	<b>\$350,000</b>	<b>\$300,000</b>	<b>\$300,000</b>
<b>Miscellaneous</b>					
Leases	\$65,475	\$65,100	\$65,475	\$65,475	\$65,475
Miscellaneous	\$50,000	\$85,418	\$100,000	\$140,000	\$100,000
<b>Total Miscellaneous</b>	<b>\$115,475</b>	<b>\$150,518</b>	<b>\$165,475</b>	<b>\$205,475</b>	<b>\$165,475</b>
<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$17,196,192</b>	<b>\$16,907,187</b>	<b>\$17,157,360</b>	<b>\$16,461,395</b>	<b>\$16,142,395</b>

**SPECIAL REVENUE FUNDS****Highway Users Revenue Funds**

Local Transportation (LTAF)	\$111,638	\$114,716	\$114,716	\$114,716	\$113,600
Highway Users	\$1,574,453	\$1,736,917	\$1,736,917	\$1,675,000	\$1,763,000
In Lieu Payments	\$24,009	\$8,000	\$40,000	\$45,000	\$10,000
Interest	\$12,802	\$40,000	\$8,000	\$25,000	\$40,000
Miscellaneous	\$4,079	\$1,000	\$1,000	\$500	\$1,000
Transfers	\$500,000	\$0	\$0	\$0	\$0
<b>Total Highway Users Revenue Fund</b>	<b>\$2,226,981</b>	<b>\$1,900,633</b>	<b>\$1,900,633</b>	<b>\$1,860,216</b>	<b>\$1,927,600</b>

**Excise Tax Special Revenue**

Mountain Bonds	\$751,662	\$878,195	\$668,562	\$668,562	\$621,718
Civic Center MPC	\$373,331	\$448,673	\$314,281	\$314,281	\$295,859
Downtown Development	\$458,190	\$486,877	\$314,281	\$314,281	\$295,859
<b>Total Excise Tax Special Revenue</b>	<b>\$1,583,183</b>	<b>\$1,813,745</b>	<b>\$1,297,124</b>	<b>\$1,297,124</b>	<b>\$1,213,436</b>

**Court Special Revenue**

Court Enhancement Fund	\$24,287	\$27,875	\$23,300	\$18,500	\$28,000
<b>Total Court Special Revenue</b>	<b>\$24,287</b>	<b>\$27,875</b>	<b>\$23,300</b>	<b>\$18,500</b>	<b>\$28,000</b>

**Community Center FF&E**

Transfers	\$0	\$0	\$0	\$3,747	\$0
<b>Total Community Center FF&amp;E</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,747</b>	<b>\$0</b>

**Grants**

FEMA	\$50,000	\$0	\$60,000	\$60,000	\$0
Senior Services Inc.					\$33,500
State Parks					\$523,222
AZ Dept of Transportation	\$175,000	\$0	\$180,000	\$180,000	\$0
Proposition 202	\$0	\$260,000	\$0	\$185,000	\$0
State of Arizona					\$19,125
LTAF II	\$68,125	\$0	\$67,500	\$40,030	\$0
Miscellaneous Grants	\$1,437,000	\$0	\$1,500,000	\$0	\$1,500,000
<b>Total Grants</b>	<b>\$1,730,125</b>	<b>\$260,000</b>	<b>\$1,807,500</b>	<b>\$465,030</b>	<b>\$2,075,847</b>

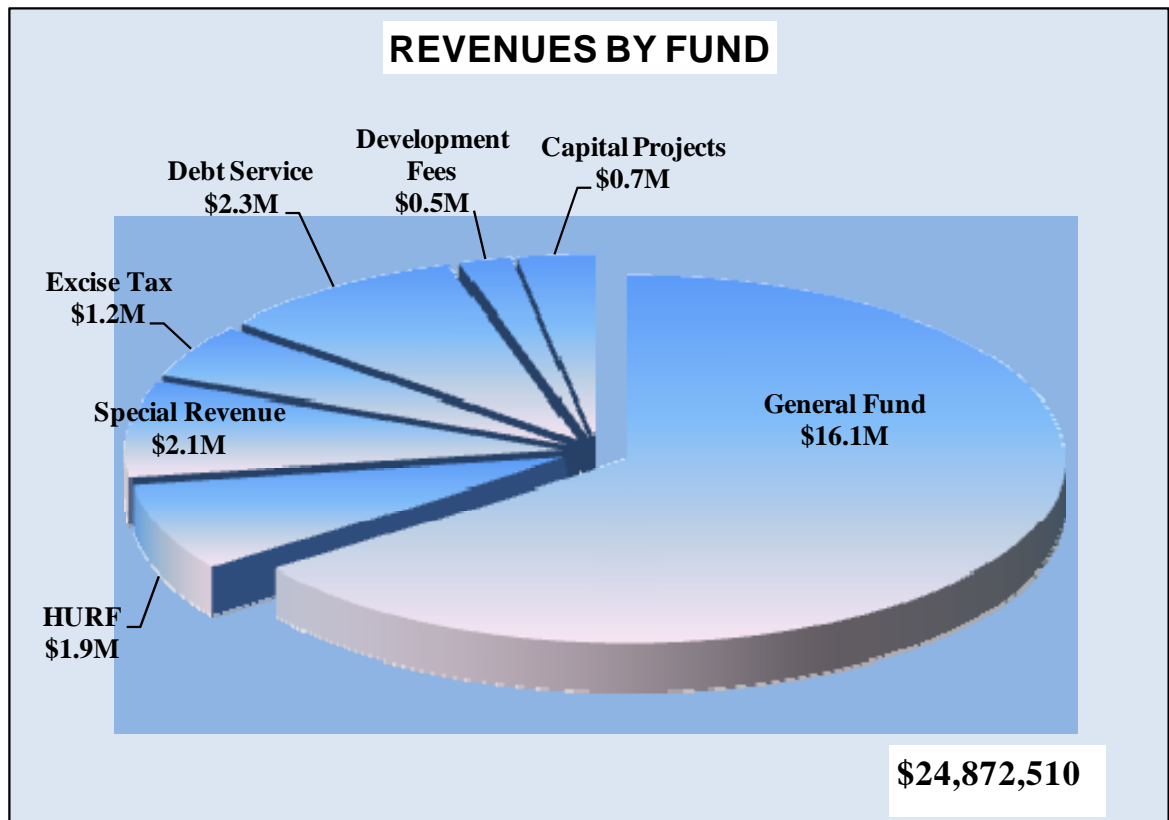
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>\$5,564,576</b>	<b>\$4,002,253</b>	<b>\$5,028,557</b>	<b>\$3,644,617</b>	<b>\$5,244,883</b>
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**DEBT SERVICE FUNDS****General Obligation Bonds**

Secondary Property Tax	\$1,325,581	\$1,232,781	\$1,400,000	\$1,330,000	\$1,400,000
Interest	\$30,407	\$25,786	\$1,400	\$800	\$1,500
<b>Total General Obligation Bonds</b>	<b>\$1,355,988</b>	<b>\$1,258,567</b>	<b>\$1,401,400</b>	<b>\$1,330,800</b>	<b>\$1,401,500</b>

Community Center MPC	\$387,000	\$387,000	\$387,000	\$387,000	\$387,000
Transfer from HURF Fund	\$110,000	\$134,137	\$126,300	\$126,300	\$115,843
Eagle Mountain CFD	\$437,354	\$203,457	\$360,000	\$344,000	\$379,000
Cottonwoods Maintenance District	\$3,300	\$3,315	\$3,300	\$3,300	\$3,300
Cottonwoods Improvement District	\$3,850	\$3,652	\$3,850	\$3,850	\$3,850
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>\$2,297,492</b>	<b>\$1,990,128</b>	<b>\$2,281,850</b>	<b>\$2,195,250</b>	<b>\$2,290,493</b>

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Estimated	FY 2008-2009 Proposed
<b>DEVELOPMENT FEES</b>					
Law Enforcement Development Fees	\$41,278	\$77,782	\$54,040	\$43,575	\$43,575
Street Department Development Fees	\$314,381	\$233,310	\$225,510	\$214,000	\$214,000
Parks & Recreation Development Fees	\$448,012	\$686,568	\$890,130	\$76,010	\$76,010
Open Space Development Fees	\$468,024	\$100,297	\$67,600	\$44,550	\$44,550
General Government Development Fees	\$249,690	\$155,116	\$113,700	\$91,700	\$91,700
Fire Development Fees	\$6,356	\$17,945	\$12,115	\$9,785	\$9,785
Library Development Fees	\$7,692	\$19,219	\$13,600	\$8,965	\$8,965
<b>TOTAL DEVELOPMENT FEES</b>	<b>\$1,535,433</b>	<b>\$1,290,237</b>	<b>\$1,376,695</b>	<b>\$488,585</b>	<b>\$488,585</b>
<b>Source of Revenues</b>					
<b>CAPITAL PROJECTS FUND</b>					
Miscellaneous	\$25,000	\$0	\$0	\$0	\$0
Local SIs Tax - CIP	\$528,225	\$528,225	\$1,157,434	\$1,157,434	\$706,154
Transfers	\$3,193,727	\$0	\$0	\$500,000	\$0
<b>TOTAL CAPITAL PROJECTS FUND</b>	<b>\$3,746,952</b>	<b>\$528,225</b>	<b>\$1,157,434</b>	<b>\$1,657,434</b>	<b>\$706,154</b>
<b>TOTAL ALL FUNDS</b>	<b>\$30,340,645</b>	<b>\$24,718,030</b>	<b>\$27,001,896</b>	<b>\$24,447,281</b>	<b>\$24,872,510</b>



## Summary of Expenditures

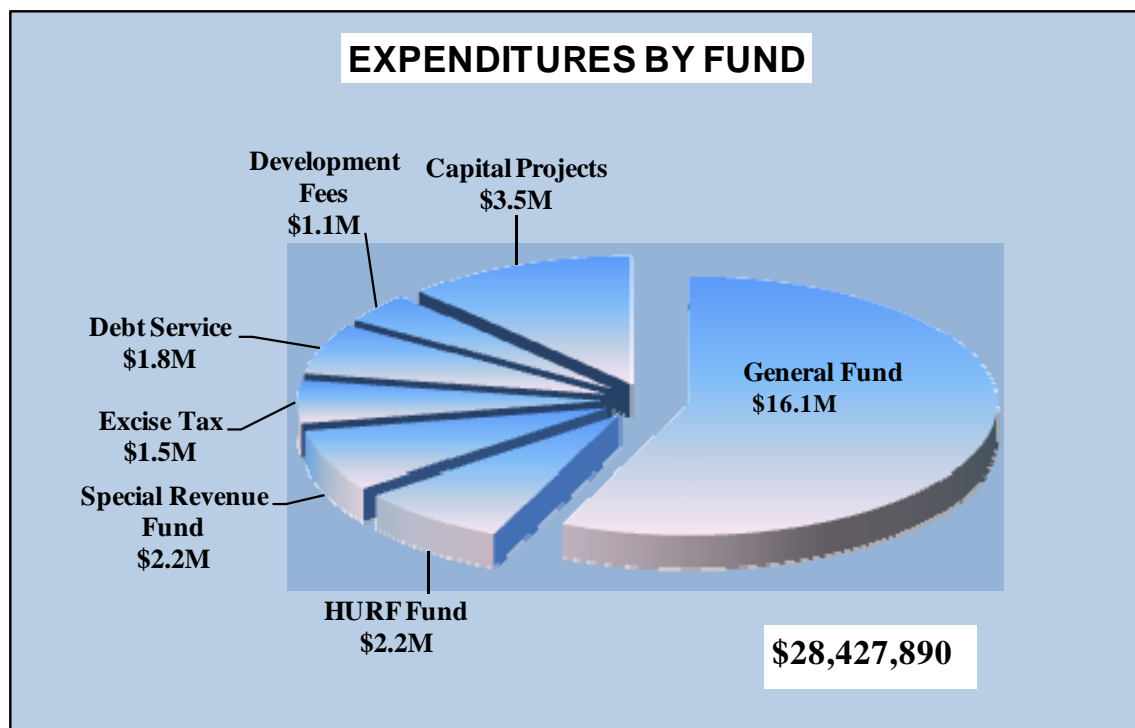
<b>Fund/Department</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Estimated</b>	<b>FY 2008-2009 Proposed</b>
<b>GENERAL FUND</b>					
Mayor and Town Council	\$79,266	\$69,114	\$212,146	\$179,890	\$93,088
Municipal Court	\$340,292	\$359,272	\$379,320	\$384,285	\$394,490
General and Administrative	\$1,250,720	\$1,058,166	\$1,023,855	\$1,082,709	\$1,108,820
Public Information	\$0	\$0	\$223,342	\$218,057	\$201,633
Operational Support	\$1,487,224	\$1,980,840	\$1,172,350	\$1,171,500	\$1,216,647
Information Technology	\$330,206	\$276,064	\$645,480	\$620,786	\$581,181
Building Safety	\$583,803	\$610,408	\$605,700	\$588,503	\$603,965
Public Works	\$1,066,792	\$1,418,083	\$2,100,965	\$1,704,511	\$1,305,208
Facilities Maintenance	\$0	\$462,224	\$678,489	\$698,288	\$513,150
Planning and Zoning	\$745,674	\$685,136	\$892,639	\$775,734	\$817,373
Parks and Recreation	\$1,466,095	\$2,107,073	\$1,686,216	\$1,683,995	\$1,906,912
Law Enforcement	\$1,907,015	\$2,265,572	\$2,790,900	\$2,790,900	\$2,839,077
Fire Department	\$2,712,388	\$2,841,288	\$3,059,326	\$2,982,446	\$3,240,908
Community Center	\$828,751	\$856,237	\$867,787	\$841,107	\$935,083
Senior Services	\$132,319	\$178,759	\$223,848	\$166,955	\$209,860
Transfers	\$0	\$1,669,050	\$907,000	\$0	\$0
Contingency	\$0	\$0	\$75,000	\$75,000	\$175,000
<b>TOTAL GENERAL FUND</b>	<b>\$12,930,543</b>	<b>\$16,837,286</b>	<b>\$17,544,363</b>	<b>\$15,964,666</b>	<b>\$16,142,395</b>
<b>SPECIAL REVENUE FUNDS</b>					
Highway Users	\$1,572,612	\$2,137,401	\$2,489,285	\$2,442,791	\$2,207,284
FEMA Grant	\$50,000	\$0	\$60,000	\$52,015	\$0
ADOT Grant	\$175,000	\$0	\$200,000	\$185,954	\$0
Community Center FF&E	\$40,000	\$40,000	\$75,000	\$67,684	\$0
Court Enhancement Fund	\$54,316	\$4,288	\$28,000	\$8,250	\$90,000
Proposition 202	\$0	\$0	\$0	\$185,000	\$0
LTAF II - RPTA	\$68,125	\$0	\$90,000	\$90,000	\$0
Miscellaneous Grants	\$1,437,000	\$0	\$1,500,000	\$1,500,000	\$2,075,847
<b>Total Special Revenue</b>	<b>\$3,397,053</b>	<b>\$2,181,689</b>	<b>\$4,442,285</b>	<b>\$4,531,694</b>	<b>\$4,373,131</b>
Excise Tax Special Revenue					
Mountain Bonds	\$595,000	\$486,877	\$594,350	\$314,281	\$402,005
MPC - Civic Center Phase II	\$246,637	\$266,438	\$315,000	\$298,338	\$318,388
Downtown Development	\$892,310	\$525,057	\$198,120	\$156,717	\$201,835
MPC - Community Center	\$387,000	\$239,169	\$387,000	\$255,419	\$245,419
Refunded Bonds		\$265,924	\$179,350	\$320,412	\$371,675
<b>Total Excise Tax Special Revenue</b>	<b>\$2,120,947</b>	<b>\$1,783,464</b>	<b>\$1,673,820</b>	<b>\$1,345,166</b>	<b>\$1,539,321</b>
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>\$5,518,000</b>	<b>\$3,965,153</b>	<b>\$6,116,105</b>	<b>\$5,876,860</b>	<b>\$5,912,452</b>
<b>DEBT SERVICE FUNDS</b>					
General Obligation Bonds					
Bond Payment - GO	\$281,870	\$0	\$0	\$0	\$0
Bond Payment - Lakeside	\$87,800	\$0	\$0	\$0	\$0
Bond Payment - Library/Museum	\$304,750	\$0	\$0	\$0	\$0
Bond Payment - Mtn Preserve GO	\$330,000	\$0	\$0	\$0	\$0
Refunded Bonds	\$515,000	\$1,360,294	\$1,392,350	\$1,393,846	\$1,340,364
<b>Total General Obligation Bonds</b>	<b>\$1,519,420</b>	<b>\$1,360,294</b>	<b>\$1,392,350</b>	<b>\$1,393,846</b>	<b>\$1,340,364</b>
<b>Special Districts/MPC Debt Service:</b>					
Bond Payment - HURF	\$110,500	\$130,743	\$126,300	\$125,793	\$115,843
Bond Payment - Cottonwoods ID.	\$3,850	\$3,652	\$3,850	\$3,850	\$3,850
Eagle Mountain CFD	\$588,745	\$339,259	\$357,835	\$357,835	\$376,360
<b>Total Special District Debt Service</b>	<b>\$703,095</b>	<b>\$473,654</b>	<b>\$487,985</b>	<b>\$487,478</b>	<b>\$496,053</b>
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>\$2,222,515</b>	<b>\$1,833,948</b>	<b>\$1,880,335</b>	<b>\$1,881,324</b>	<b>\$1,836,417</b>

**DEVELOPMENT FEES**

Law Enforcement Development Fees	\$0	\$0	\$0	\$0	\$630
Street Department Development Fees	\$295,000	\$23,532	\$441,000	\$130,000	\$255,000
Parks & Recreation Development Fees	\$603,700	\$444,249	\$1,777,354	\$651,582	\$583,900
Open Space Development Fees	\$114,370	\$8,050	\$194,160	\$10,700	\$237,160
General Government Development Fees	\$244,687	\$0	\$0	\$0	\$10,920
Fire Development Fees	\$618	\$0	\$0	\$0	\$140
Library Development Fees	\$1,874	\$0	\$0	\$0	\$210
<b>TOTAL DEVELOPMENT FEES</b>	<b>\$1,257,757</b>	<b>\$475,831</b>	<b>\$2,412,514</b>	<b>\$792,282</b>	<b>\$1,087,610</b>

**CAPITAL PROJECTS FUND**

Capital Projects	\$1,609,570	\$1,122,054	\$3,069,059	\$2,996,355	\$3,049,016
Capital Contingency	\$0	\$800,000	\$400,000	\$400,000	\$400,000
<b>TOTAL CAPITAL PROJECTS FUND</b>	<b>\$1,609,570</b>	<b>\$1,922,054</b>	<b>\$3,469,059</b>	<b>\$3,396,355</b>	<b>\$3,449,016</b>
<b>TOTAL ALL FUNDS</b>	<b>\$23,538,385</b>	<b>\$25,034,272</b>	<b>\$31,422,376</b>	<b>\$27,911,487</b>	<b>\$28,427,890</b>



## All Funds Budgeted Expenditure by Account Code

	Gen Fund TOTALS	HURF	Special Revenue Funds	Development Fees	Debt Service	Capital Projects	TOTAL ALL FUNDS	% of Total
5199 Overtime	\$7,926	\$3,464	\$0				\$11,390	0.0%
5200 Wages	\$3,952,403	\$434,724	\$39,800	\$0			\$4,426,928	15.6%
5201 FICA	\$88,670	\$6,420	\$590	\$0			\$95,680	0.3%
5202 Unemployment Insurance	\$7,149	\$630	\$30	\$0			\$7,809	0.0%
5203 Employee's Health Insurance	\$391,457	\$60,946	\$2,060	\$0			\$454,462	1.6%
5204 Employee's Life Insurance	\$13,154	\$1,373	\$130	\$0			\$14,657	0.1%
5205 Employee's Dental Insurance	\$33,426	\$4,453	\$200	\$0			\$38,080	0.1%
5206 Employee's Eye Insurance	\$5,755	\$827	\$30	\$0			\$6,612	0.0%
5207 Worker's Compensation Insurance	\$49,760	\$29,717	\$140	\$0			\$79,617	0.3%
5208 Employee's Retirement Fund	\$384,969	\$48,201	\$4,380	\$0			\$437,549	1.5%
5211 Disability Insurance	\$18,429	\$2,300	\$210	\$0			\$20,939	0.1%
<b>Total Wages &amp; Salaries</b>	<b>\$4,953,098</b>	<b>\$593,055</b>	<b>\$47,570</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,593,723</b>	<b>19.7%</b>
5901 Accounting Fees	\$28,107	\$8,735	\$0	\$0			\$36,842	0.1%
5902 Professional Fees	\$267,705	\$0	\$5,000	\$0			\$272,705	1.0%
5903 Legal Fees	\$342,500	\$20,000	\$0	\$0			\$362,500	1.3%
5906 Jail/Prisoner Fees	\$68,000		\$0	\$0			\$68,000	0.2%
5908 Engineering Fees	\$55,000		\$6,000	\$0			\$61,000	0.2%
5907 Rabies & Animal Control	\$28,200		\$0	\$0			\$28,200	0.1%
5920 Intergovernmental Agreements	\$11,100		\$0	\$0			\$11,100	0.0%
5929 Special Programs - RPTA	\$90,000		\$0	\$0			\$90,000	0.3%
5932 Special Programs	\$13,574	\$0	\$48,000	\$0			\$61,574	0.2%
5933 Youth And Teens	\$9,337		\$0	\$0			\$9,337	0.0%
5934 Community Events & Programs	\$76,341		\$0				\$76,341	0.3%
5935 Sports Activities	\$31,204		\$0	\$0			\$31,204	0.1%
5936 Spec.Programs-Constituent Comm	\$74,352		\$0	\$0			\$74,352	0.3%
5939 Youth Services	\$100,000		\$0	\$0			\$100,000	0.4%
5940 Senior	\$5,764		\$0	\$0			\$5,764	0.0%
5941 McDowell Mtn Preservation	\$48,839		\$0	\$0			\$48,839	0.2%
5945 Social Services	\$40,000		\$0	\$0			\$40,000	0.1%
5947 Tourism	\$185,000		\$0	\$0			\$185,000	0.7%
5950 Sheriff's Contract	\$2,742,877		\$0	\$0			\$2,742,877	9.6%
5955 Rural Metro Contract	\$3,028,332		\$0	\$0			\$3,028,332	10.7%
5959 Youth Arts	\$130,000						\$130,000	0.5%
5960 Home Delivered Meals	\$43,927						\$43,927	0.2%
5962 Senior Trips	\$5,857						\$5,857	0.0%
5964 Senior Programs	\$3,573						\$3,573	0.0%
<b>Total Contract Services</b>	<b>\$7,429,589</b>	<b>\$28,735</b>	<b>\$59,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,517,324</b>	<b>26.4%</b>
6400 Vehicle Repairs & Maintenance	\$50,974	\$38,460	\$0	\$0			\$89,434	0.3%
6402 Road Repair & Maintenance	\$0	\$122,450	\$0	\$0			\$122,450	0.4%
6403 Equipment Rental	\$9,474	\$500	\$0	\$0			\$9,974	0.0%
6404 Building Repairs & Maintenance	\$173,729	\$3,000	\$35,000	\$0			\$211,729	0.7%
6405 Office Equip. Repairs & Maint.	\$128,069	\$500	\$0	\$0			\$128,569	0.5%
6407 Street Sign Repair & Maint		\$71,735	\$0				\$71,735	0.3%
6408 Traffic Signal Repair & Maint		\$114,225	\$0				\$114,225	0.4%
6410 Field Preparation/Maintenance	\$127,317		\$0	\$0			\$127,317	0.4%
6415 Mowing/Landscape Maintenance	\$469,914		\$0	\$0			\$469,914	1.7%
6420 Dam/Wash Maintenance	\$117,800		\$0	\$0			\$117,800	0.4%
<b>Total Repairs &amp; Maintenance</b>	<b>\$1,077,277</b>	<b>\$350,870</b>	<b>\$35,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,463,147</b>	<b>5.1%</b>

	Gen Fund TOTALS	HURF	Special Revenue Funds	Development Fees	Debt Service	Capital Projects	TOTAL ALL FUNDS	% of Total
6501 Advertising/Signage	\$55,250	\$250	\$62,830	\$0			\$118,330	0.4%
6505 Conferences	\$37,218	\$2,000	\$530	\$0			\$39,748	0.1%
6507 Continuing Education	\$57,515	\$2,700	\$4,830	\$0			\$65,045	0.2%
6508 Dues & Publications	\$70,574	\$3,150	\$1,995	\$0			\$75,719	0.3%
6509 Licenses Permits Filing Fees	\$1,450	\$3,100	\$0	\$0			\$4,550	0.0%
6511 Electricity Expense	\$378,004	\$36,000	\$0	\$0			\$414,004	1.5%
6514 Gas & Oil Expense	\$69,363	\$47,450	\$0	\$0			\$116,813	0.4%
6517 Liability Insurance	\$318,400	\$100,000	\$0	\$0			\$418,400	1.5%
6520 Office Supplies	\$65,040	\$1,800	\$10,200	\$0			\$77,040	0.3%
6525 Tools, Shop Supplies	\$9,862	\$7,500	\$0	\$0			\$17,362	0.1%
6526 Firefighting Equipment	\$10,000		\$0	\$0			\$10,000	0.0%
6529 Postage	\$32,712		\$0	\$0			\$32,712	0.1%
6530 Bar Supplies	\$12,200		\$0	\$0			\$12,200	0.0%
6531 Printing	\$23,211	\$240	\$2,120	\$0			\$25,571	0.1%
6537 Communication Expense	\$88,764	\$5,700	\$1,500	\$0			\$95,964	0.3%
6546 Water/Sewer	\$134,500	\$7,400	\$0	\$0			\$141,900	0.5%
6548 Travel Expense	\$12,600	\$0	\$8,260	\$0			\$20,860	0.1%
6549 Uniforms	\$11,111	\$8,000	\$0	\$0			\$19,111	0.1%
6560 Bank Charges	\$18,350		\$0	\$0			\$18,350	0.1%
Total Supplies & Services	\$1,406,124	\$225,290	\$92,265	\$0	\$0	\$0	\$1,723,679	6.1%
8020 Capital Outlay - Furn & Equip.	\$18,770	\$2,000	\$0	\$0			\$20,770	0.1%
8025 Capital Outlay - Computers	\$32,400		\$0	\$0			\$32,400	0.1%
8026 Capital Outlay - Software	\$101,201		\$0	\$0			\$101,201	0.4%
8030 Capital Outlay - Communications	\$4,000		\$0				\$4,000	0.0%
8090 Capital Expend. - Improvements	\$189,027	\$0	\$55,000	\$1,087,610		\$3,449,016	\$4,780,653	16.8%
Total Capital/Contingency	\$345,398	\$2,000	\$55,000	\$1,087,610	\$0	\$3,449,016	\$4,939,024	17.4%
9000 Debt Service	\$0	\$115,843	\$1,337,486	\$0	\$1,836,417		\$3,289,746	11.6%
9090 Transfers	\$755,909	\$891,491	\$578,847	\$0			\$2,226,247	7.8%
9999 Contingency	\$175,000		\$1,500,000	\$0			\$1,675,000	5.9%
Total Debt/Transfers	\$1,276,307	\$1,009,334	\$3,471,333	\$0	\$1,836,417	\$0	\$7,190,993	25.3%
GRAND TOTAL	\$16,142,395	\$2,207,284	\$3,705,168	\$1,087,610	\$1,836,417	\$3,449,016	\$28,427,890	100.0%

## Shared Revenue: Income Tax

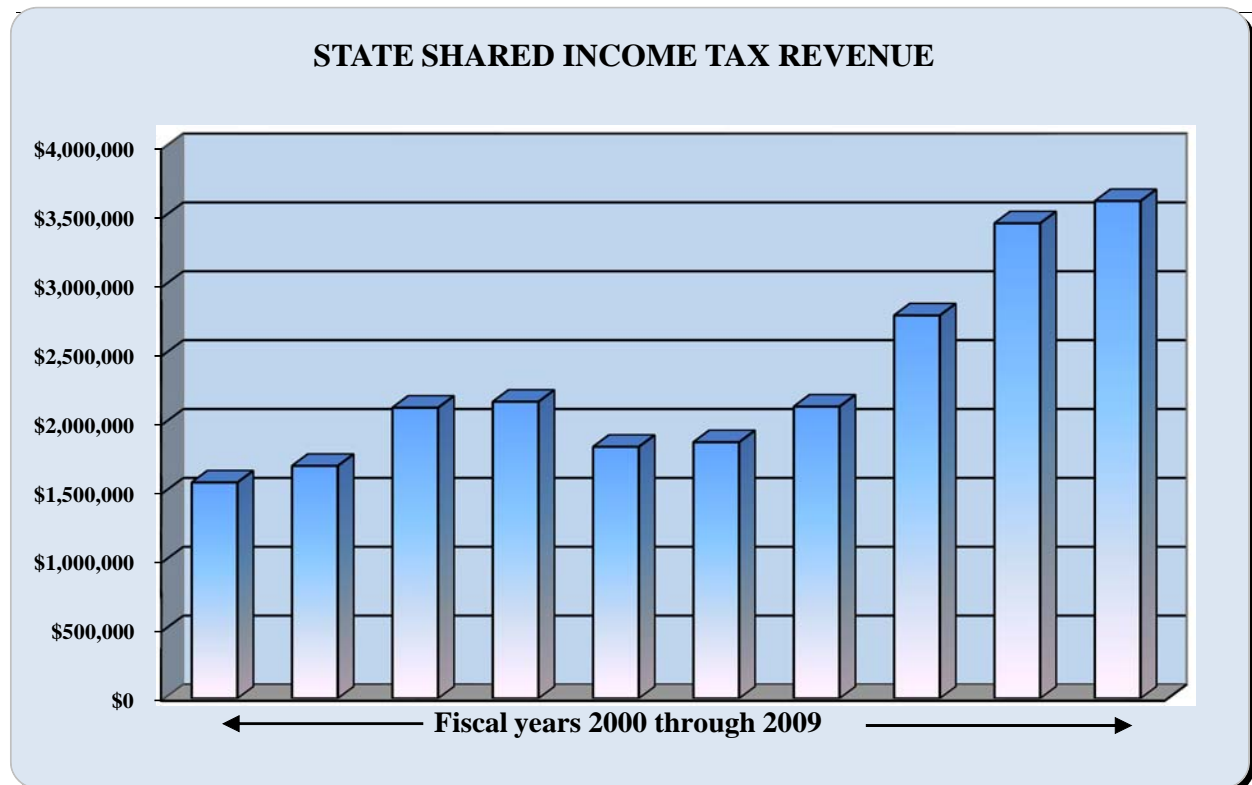
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	1996-97	\$1,071,161	39.8% <sup>1</sup>
	1997-98	\$1,210,113	13.0%
	1998-99	\$1,412,702	16.7%
	1999-00	\$1,567,610	11.0%
	2000-01	\$1,688,004	7.7%
	2001-02	\$2,110,536	25.0% <sup>1</sup>
	2002-03	\$2,153,635	2.0%
	2003-04	\$1,826,315	-15.2%
	2004-05	\$1,860,154	1.9%
	2005-06	\$2,118,592	13.9%
	2006-07	\$2,780,715	31.3% <sup>1</sup>
	2007-08 (est.)	\$3,449,440	24.0%
Account 3020	2008-09 (est.)	\$3,610,480	4.7%

<sup>1</sup> Increase as a result of census population growth

### Assumptions

A 1972 citizen's initiative gave the cities and towns a percentage share of the state income tax, officially called urban revenue sharing; Arizona cities and towns receive 15% of the State's income tax collections. This state shared revenue is distributed to cities and towns based on the relation of their population to the total population of all incorporated cities and towns in the state according to the latest census. Amounts distributed are based on actual income tax collections from two years prior to the fiscal year in which the Town receives the funds. The projection for FY2008-2009 is provided by the League of Arizona Cities and Towns and the State's Joint Legislative Budget Committee (JLBC).

Major Influences: Personal Income, Corporate Net Profits, Population and State Policy



## Shared Revenue: Sales Tax

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	1996-97	\$998,459	20.3% <sup>1</sup>
	1997-98	\$1,054,548	5.6%
	1998-99	\$1,130,422	7.2%
	1999-00	\$1,242,559	9.9%
	2000-01	\$1,320,401	6.3%
	2001-02	\$1,559,318	18.1% <sup>1</sup>
	2002-03	\$1,582,535	1.5%
	2003-04	\$1,702,374	7.6%
	2004-05	\$1,874,577	10.1%
	2005-06	\$2,170,940	15.8%
	2006-07	\$2,327,899	7.2% <sup>1</sup>
	2007-08 (est)	\$2,494,340	7.1%
	2008-09 (est.)	\$2,215,242	-11.2%

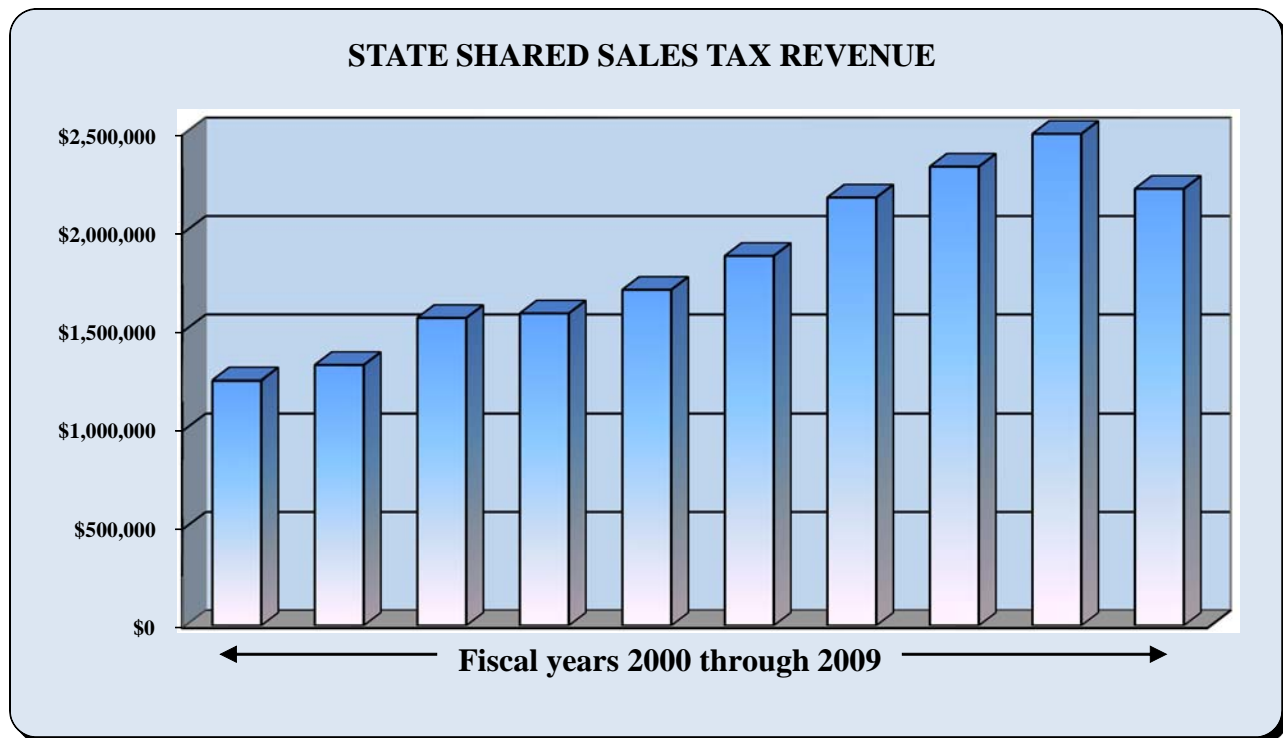
Account: 3010

<sup>1</sup> Increase as a result of census population growth

### Assumptions

The State assesses a 6.3% sales tax, of which cities and towns share in the collections based on the relation of its population to the total population of all incorporated cities and towns using the 2005 census figures (Fountain Hills represents .5% of the state total). The FY 2008-2009 revenue projection is based on the League of Arizona Cities and Towns bulletin and by the Arizona Department of Revenue forecast for Sales and Use Tax.

Major Influences: Construction Activity, Retail Sales, Population and Economy

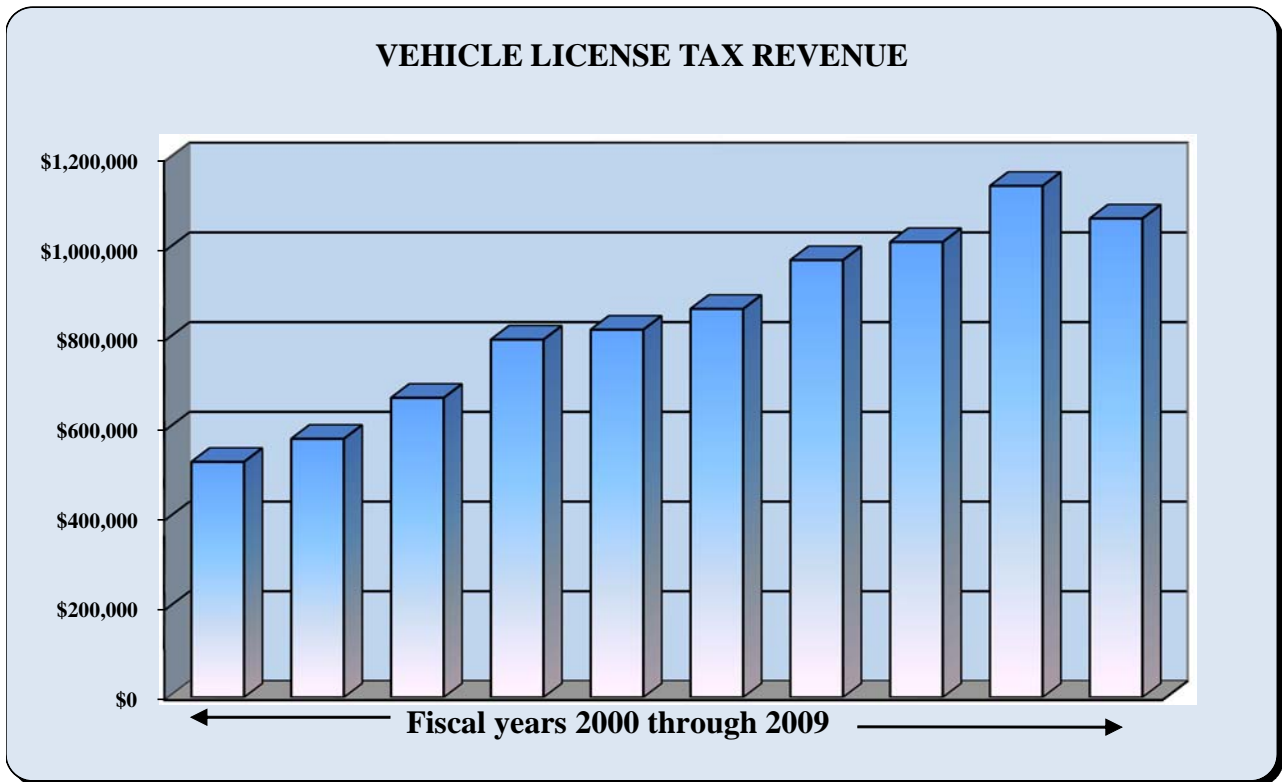


### Shared Revenue: Vehicle License Tax

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	1996-97	\$378,103	38.4%
	1997-98	\$403,775	6.8%
	1998-99	\$476,430	18.0%
	1999-00	\$524,796	10.2%
	2000-01	\$576,264	9.8%
	2001-02	\$667,570	15.8%
	2002-03	\$797,344	19.4%
	2003-04	\$819,497	2.8%
	2004-05	\$865,823	5.7%
	2005-06	\$974,452	12.5%
	2006-07	\$1,014,853	4.1%
	2007-08 (est.)	\$1,140,010	12.3%
	2008-09 (est.)	\$1,067,300	-6.4%
Account: 3030			
Assumptions			

Approximately 20% of the revenues collected for the licensing of motor vehicles is distributed to incorporated cities and towns. The Town receives its share of the vehicle license tax collections based on its population in relation to the total incorporated population of the county (0.8%). The remainder of the revenues collected are shared by schools, counties, and the state. The fiscal year 2008-2009 estimate is based on receiving 0.8% of the mid-point between Maricopa County's most likely (\$155,965,712) and pessimistic (\$148,977,055) projection.

Major Influences: Automobile sales, Population, and State Policy



## Local Revenue: Fountain Hills Sales Tax

Restrictions	Fiscal Year	Amount	Percent Change
Revenues from the 2.6% local sales tax are allocated to the Capital Projects Fund, Municipal Property Corporation, Downtown Development and the General Fund. General Fund proceeds are not restricted but must be expended for public purpose.	1996-97	\$2,664,923	65.5%
	1997-98	\$2,920,084	9.6%
	1998-99	\$3,394,152	16.2%
	1999-00	\$4,087,514	20.4%
	2000-01	\$4,923,174	20.4% <sup>1</sup>
	2001-02	\$4,355,701	-11.5%
	2002-03	\$5,051,871	16.0% <sup>1</sup>
	2003-04	\$7,733,643	53.1%
	2004-05	\$8,745,998	13.1%
	2005-06	\$10,866,239	24.2%
	2006-07	\$11,075,430	1.9%
	2007-08 (est.)	\$8,959,149	-19.1%
	2008-09 (est.)	\$8,523,109	-4.9%

<sup>1</sup> Rate increase

### Assumptions

The local sales tax rate in Fountain Hills is 2.6% - total receipts for FY09 are estimated to be \$8,523,109. The construction related sales tax is derived from one-time activities and should be dedicated for one-time expenditures. Another portion (13.6%) of the local sales tax is dedicated for Municipal Property Corporation bond payments and downtown development; the following is a breakdown of the dedicated and non-dedicated (General Fund) projections:

#### Dedications:

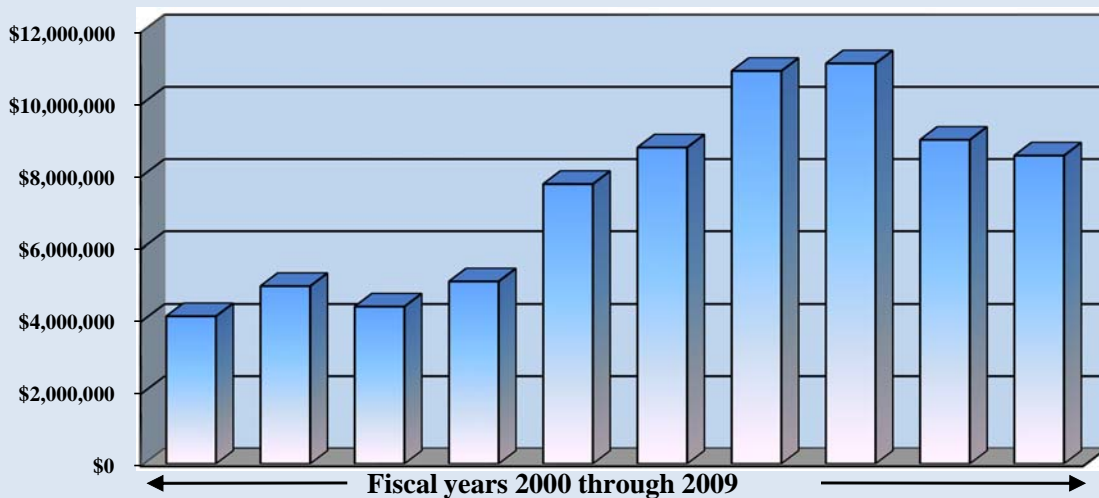
Downtown Fund	\$ 295,859
Civic Center II Bonds	\$ 295,859
Mountain Bonds	\$ 591,718
Capital Projects	\$ 830,769
General Fund	<u>\$6,508,903</u>

\$8,523,109

Construction related activity accounts for 9.7% of this revenue source and is designated for the Capital Projects Fund. Retail activity (40% of total) is projected to decline approximately 17% due to the protracted economic downturn and anticipated closure of a shopping center for renovations. Utilities/communications/transportation provides another 20% of the total receipts.

Major Influences: Economy, Construction Activity, Retail Sales, Public Policy

### LOCAL SALES TAX - ALL FUNDS



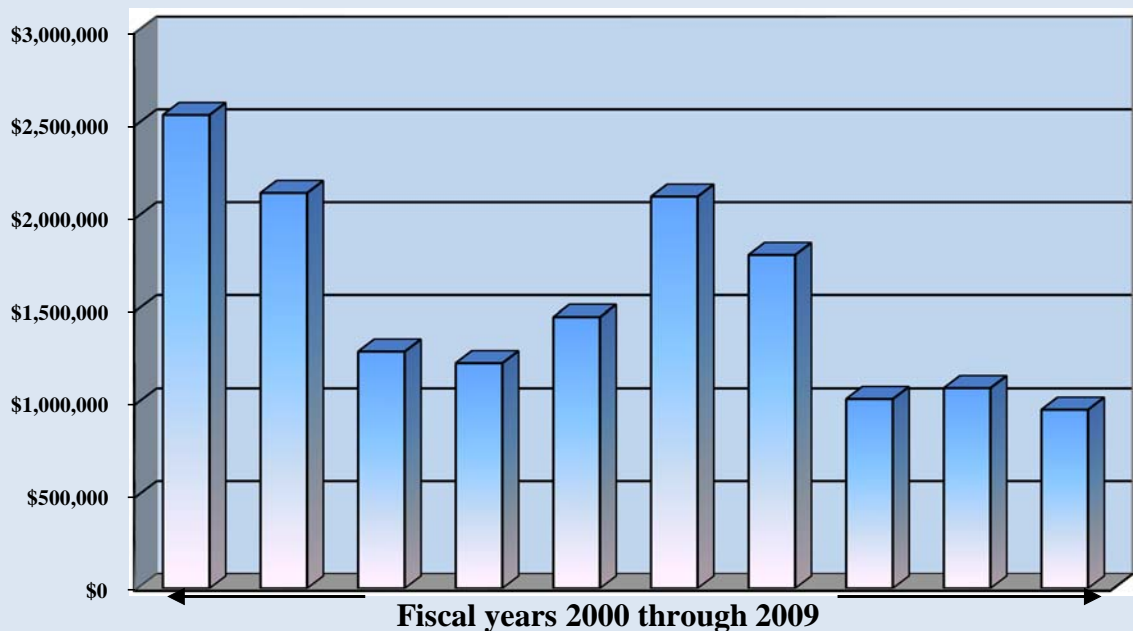
## Local Revenue: Permits and Fees

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	1996-97	\$1,759,326	4.2%
	1997-98	\$1,912,468	8.7%
	1998-99	\$2,433,602	27.2%
	1999-00	\$2,547,521	4.7%
	2000-01	\$2,127,305	-16.5%
	2001-02	\$1,275,891	-40.0%
	2002-03	\$1,213,553	-4.9%
	2003-04	\$1,461,030	20.4%
	2004-05	\$2,107,617	44.3%
	2005-06	\$1,793,454	-14.9%
	2006-07	\$1,020,386	-43.1%
	2007-08 (est.)	\$1,079,212	5.8%
	2008-09 (est.)	\$962,780	-10.8%
Accounts: 3220-3250			

### Assumptions

Revenues from this source include the fees collected from building permits, rezoning, improvement plans, encroachment and subdivision plans. The increase in 2004-05 is due to the a large number of multi-family units that were constructed that year. The estimates for FY2008-09 are based on construction activity provided by the local developer and planning staff and reflect the general economic slowdown in new home construction. The projected number of permits for next fiscal year is 50 single family (50 last fiscal year), 5 multi-family units (5 last fiscal year), and 7 commercial projects (6 last fiscal year). Projected projects for FY08-09 consist of commercial developments at Redrock Business Center and redevelopment of the Bashas' shopping center.

### BUILDING RELATED REVENUE

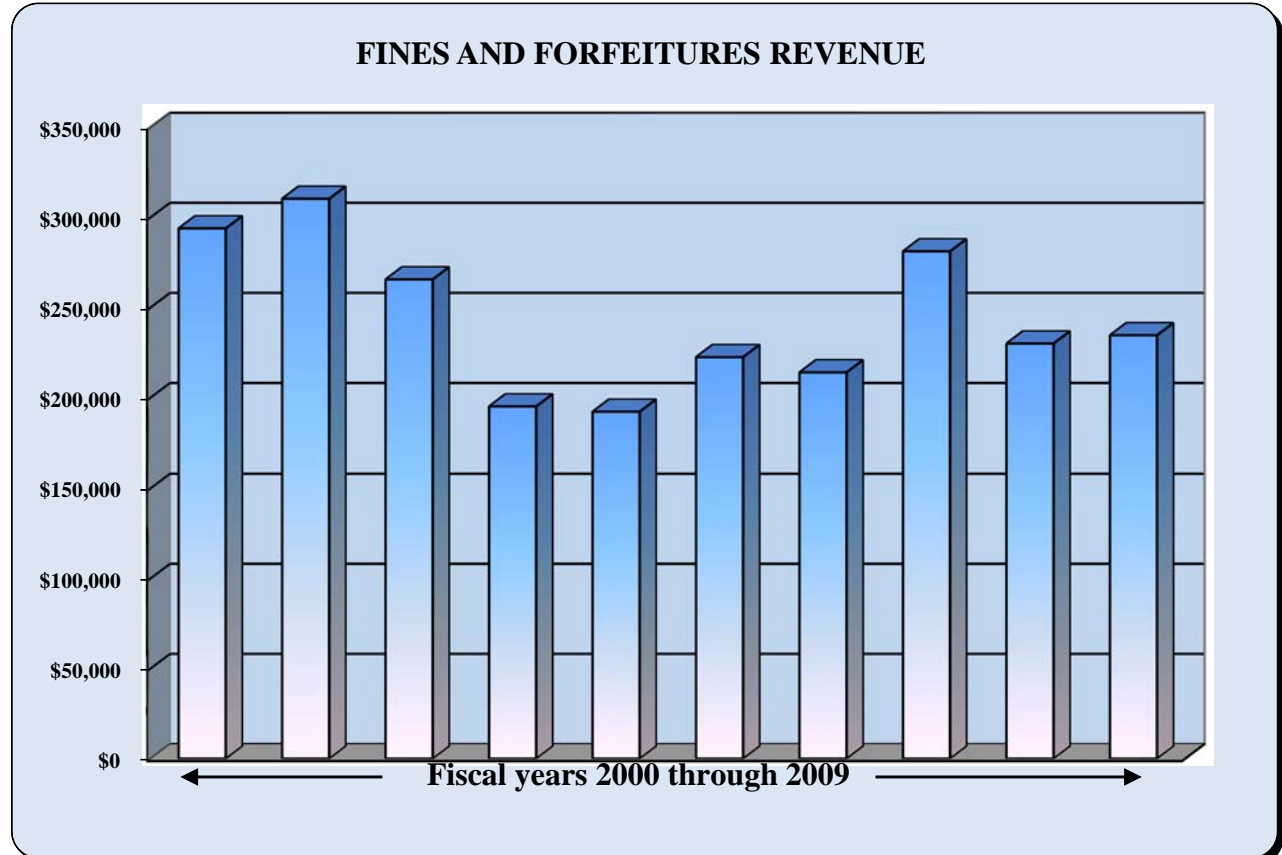


### Local Revenue: Court Fines and Fees

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	1996-97	\$209,485	-0.9%
	1997-98	\$208,900	-0.3%
	1998-99	\$259,453	24.2%
	1999-00	\$293,910	13.3%
	2000-01	\$310,359	5.6%
	2001-02	\$265,605	-14.4%
	2002-03	\$195,091	-26.5%
	2003-04	\$192,158	-1.5%
	2004-05	\$222,451	15.8%
	2005-06	\$214,008	-3.8%
	2006-07	\$281,173	31.4%
	2007-08 (est.)	\$230,000	-18.2%
	2008-09 (est.)	\$234,600	2.0%
Account: 3230			
Assumptions			

Municipal Court fines come from traffic violations and other fines paid for the violation of municipal ordinances. The decline in fines and forfeitures beginning in fiscal year 2001-2002 is related to the elimination of duplicate law enforcement within the Town. The decrease in fines for FY2006-07 is due to an increase in the percentage of fines being remitted to the State of Arizona from 44% to 48%.

Major Influences: Population, Enforcement, Public Policy



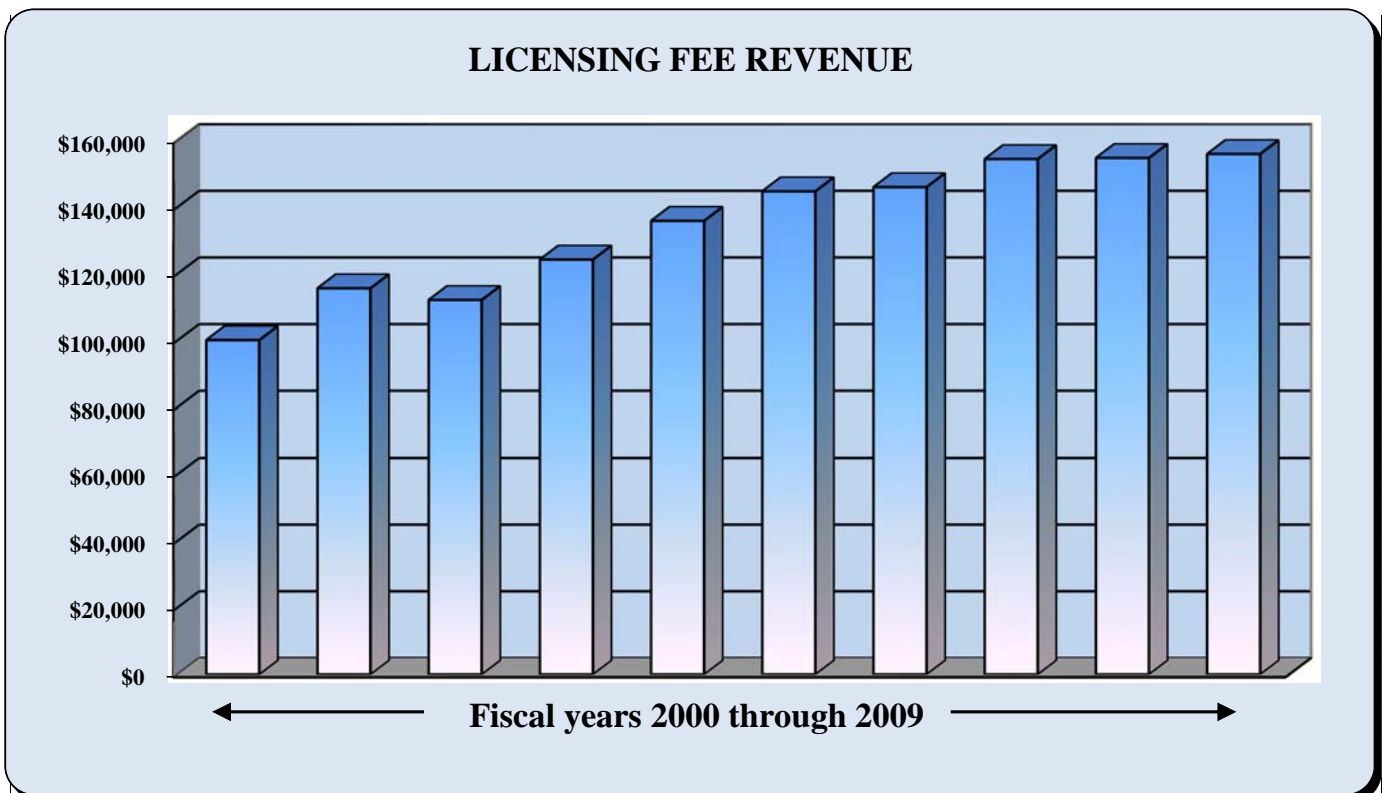
## Local Revenue: Business Licenses and Animal Fees

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	1996-97	\$70,038	13.7%
	1997-98	\$81,125	15.8%
	1998-99	\$90,717	11.8%
	1999-00	\$100,134	10.4%
	2000-01	\$115,681	15.5%
	2001-02	\$112,173	-3.0%
	2002-03	\$124,292	10.8%
	2003-04	\$135,919	9.4%
	2004-05	\$144,785	6.5%
	2005-06	\$146,033	0.9%
	2006-07 (est.)	\$154,464	5.8%
	2007-08 (est.)	\$154,795	0.2%
	2008-09 (est.)	\$155,981	0.8%
Accounts: 3210, 3225			

### Assumptions

License fees are derived from a license tax on professions, occupations, businesses (\$117,995) and animals (\$37,986) within the Town. The license fee is used primarily as a means of regulating businesses and animal control within the community. The estimate for FY2008-2009 is based on 2,452 active business licenses and 2,937 animal licenses (20 more than last year).

Major Influences: Economy, Enforcement



## Local Revenue: Community Center Rentals

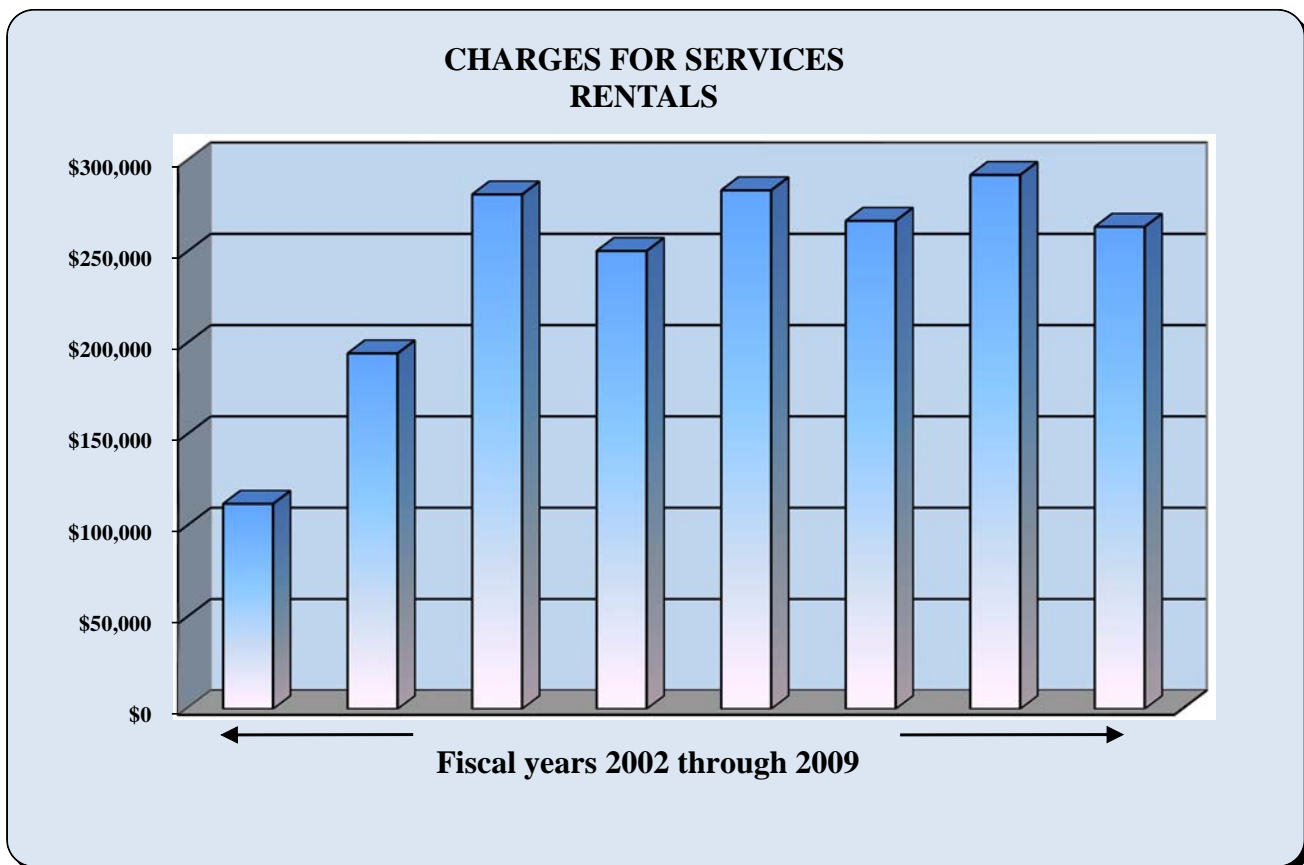
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2001-02	\$112,347	
	2002-03	\$194,744	73.3%
	2003-04	\$281,795	44.7%
	2004-05	\$250,837	-11.0%
	2005-06	\$284,075	13.3%
	2006-07	\$267,350	-5.9%
	2007-08 (est.)	\$292,475	9.4%
	2008-09 (est.)	\$264,075	-9.7%

Accounts: 3280, 3282, 3285

### Assumptions

In September 2001 a new Community Center opened providing a venue for weddings, banquets, civic meetings, etc. The Center also provides meeting space for the Seniors Division, local organizations such as the Chamber of Commerce, Fountain Hills Realtors and various homeowners associations. Additional rental charges are collected from cellular providers for use of town property for their towers.

Major Influences: Population, Internal Policy on Rates

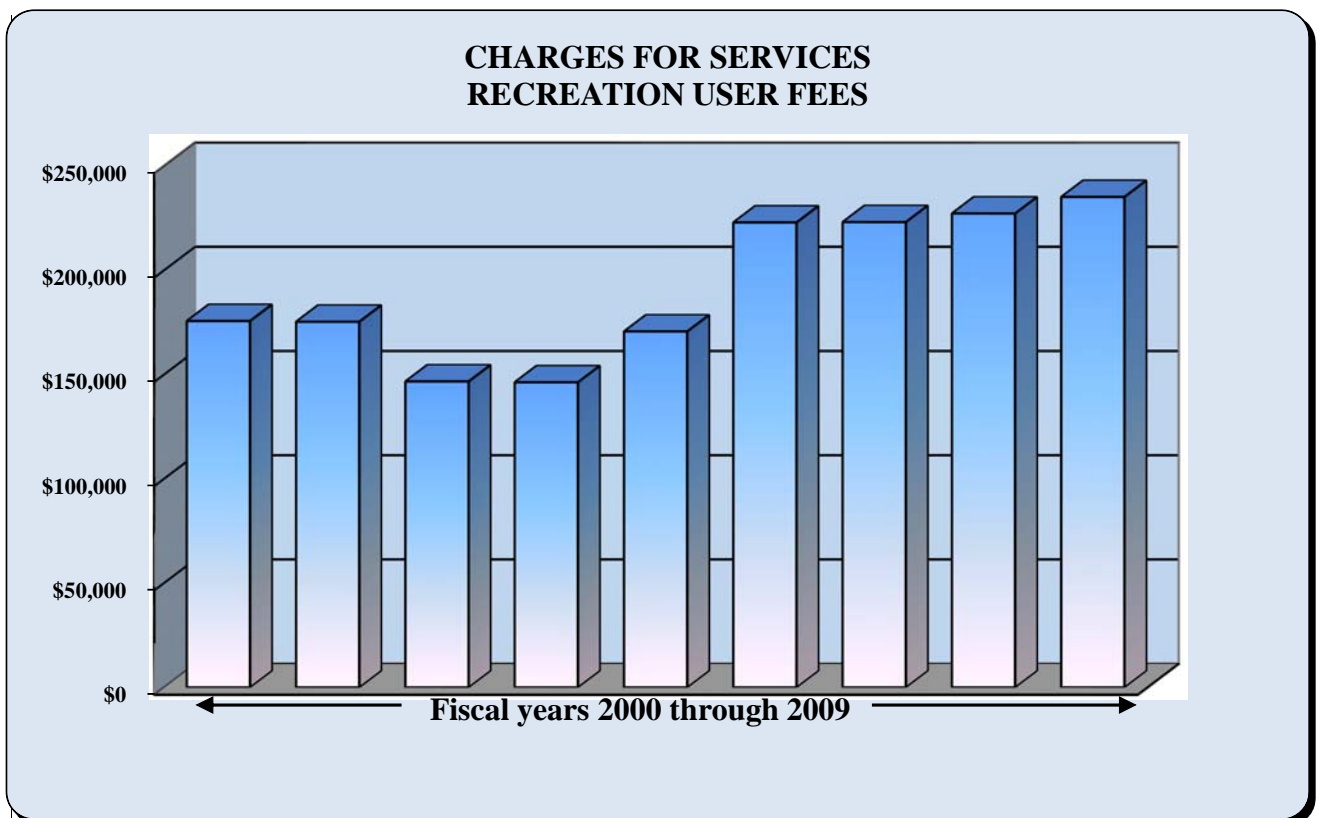


## Local Revenue: Recreation Programs

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	1996-97	\$150,209	
	1997-98	\$140,332	-6.6%
	1998-99	\$143,228	2.1%
	1999-00	\$169,636	18.4%
	2000-01	\$175,724	3.6%
	2001-02	\$175,376	-0.2%
	2002-03	\$146,734	-16.3%
	2003-04	\$146,334	-0.3%
	2004-05	\$170,709	16.7%
	2005-06	\$222,991	30.6%
	2006-07	\$223,166	0.1%
	2007-08 (est.)	\$227,300	1.9%
	2008-09 (est.)	\$235,234	3.5%
Accounts: 3270, 3272			
Assumptions			

Charges for services are collected from users of Town facilities (parks) and recreation programs for youths to seniors. In 2006 the Senior Services Division became a division within the Community Center Department where most programs are held. Senior Services offers programs for senior citizens including home delivered meals, fitness programs, special interest classes and trips, as well as social events.

Major Influences: Population, Internal Policy on Rates



# Operating Budgets



**01 - General Fund**  
**020 - Mayor and Town Council**  
**Department**

**Total Budgeted Expenditures** **\$93,088**

**MAYOR AND TOWN COUNCIL**

Mayor Wally Nichols  
Mayor Elect Jay Schlum  
Vice Mayor Ginny Dickey  
Councilmember Mike Archambault  
Councilmember Edwin Kehe  
Councilmember Henry Leger  
Councilmember Keith McMahan  
  
Councilmember Elect Cassie Hansen

### **Mission Statement**

The Mayor and Town Council are charged with serving the best interests of the community by:

Providing for its safety and well-being;

Respecting its special, small-town character and quality of life;

Providing superior public services;

Sustaining the public trust through open and responsive government; and

Maintaining the stewardship and preservation of its financial and natural resources.

### **Department/Division Description**

The Town Council is comprised of the Mayor and six Councilmembers, all of whom are elected at large to serve the citizens of the Town of Fountain Hills.

The term of office for the Mayor is two years and Councilmembers serve four year overlapping terms.

The corporate powers of the Town are vested in the Council and are exercised only as directed or authorized by law via ordinance, resolution, order, or motion. The Council appropriates funds and provides policy direction to Town staff.

The Council appoints a Town Manager, Municipal Court Judge, Town Attorney, and Prosecuting Attorney. The Town Manager is responsible for the day-to-day administration of the Town.

### **FY 2007-08 Accomplishments**

Completed the following strategic priorities:

Implemented a pedestrian safety strategy for the intersection of Avenue of the Fountains and Saguaro Boulevard

Submitted to the voters the question of approving a primary property tax for public safety

Drafted a development agreement with the Ellman Companies for the former State Trust Land

Adopted an Infrastructure Improvement Plan (IIP) to updated Town's development fees for inflation factor

Adopted environmental policy

### **FY 2008-09 Goals**

Expenditures appearing in the departmental operating budgets support the goals and objectives of the Mayor and Town Council, particularly those goals identified during the strategic budget planning process. These include:

To restructure financial policies for fiscal efficiency, for the benefit of taxpayers

To enhance and nurture the relationships with local schools for the benefit of the community

To ensure that development of the Ellman property (former State Trust Land) will be compatible with the character of the rest of the community in areas such as aesthetics, density, traffic and housing development standards

To increase community initiatives to strengthen our small town character

To evaluate the Pavement Management Analysis for the community

To implement the environmental plan to enhance stewardship of our environment

To improve economic development, business vitality and relationships between the Town and businesses, to benefit our community

To tailor the communications now available to the various demographics of the community

In order to accomplish these goals the Council has appropriated funds within the departmental budgets. Other goals of the Council are maximizing public access to Council meetings, enhancing constituent communication, compensating and equipping the Mayor and Town Council with the tools necessary to do their jobs; and promoting communication and awareness of the Mayor, Town Council, and the Town with other municipalities.

### Budget Highlights

#### Summary Expenditures - Council

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
SALARIES & BENEFITS	\$35,480	\$40,047	\$49,105	\$39,590	\$39,643
CONTRACTUAL SERVICES	\$20,104	\$19,500	\$122,380	\$107,000	\$16,500
REPAIRS & MAINTENANCE	\$0	\$0	\$0	\$0	\$0
SUPPLIES & SERVICES	\$23,684	\$57,614	\$40,661	\$33,300	\$36,945
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
TRANSFERS	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$79,268	\$117,161	\$212,146	\$179,890	\$93,088

**\$39,643** Salaries and taxes for the Mayor and Council; the Mayor's salary is \$600 per month and the Council members salaries are \$400 per month

**\$16,500** \$9,500 available for any projects that the Council may direct staff to do including a performance evaluation for the Town Manager  
\$7,000 available for the Sisters Cities and Strong Cities programs

**36,945**

\$8,800 includes fees for members of the Town Council to promote Fountain Hills while attending the annual League of Arizona Cities and Towns conference to be held in Paradise Valley. Such promotional items are apparel, a chocolate fountain, booth fees, promotional and commemorative pins, etc.

\$7,700 includes registration fees for members of the Town Council to attend the League Conference

\$11,500 for the annual goal setting retreat including facilitator and facility

\$4,400 to have new portraits and nameplates for the Council

\$3,440 includes the cost of hosting the East Valley Mayor's Luncheon, travel and meeting cost reimbursements for members of the Council

**MAYOR & TOWN COUNCIL**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS</b>					
Wages	\$32,000	\$36,000	\$36,000	\$36,000	\$36,000
Employer FICA Expense	\$2,448	\$2,770	\$2,770	\$2,770	\$2,770
Unemployment Insurance Expense	\$276	\$310	\$360	\$330	\$330
Worker Compensation Insurance	\$755	\$967	\$975	\$490	\$543
Elected Official Pension Plan	\$0	\$0	\$9,000	\$0	\$0
<b>TOTAL</b>	<b>\$35,480</b>	<b>\$40,047</b>	<b>\$49,105</b>	<b>\$39,590</b>	<b>\$39,643</b>
<b>CONTRACT SERVICES</b>					
Professional Services	\$3,000	\$3,500	\$82,000	\$62,000	\$9,500
Election Expense	\$17,104	\$16,000	\$40,380	\$45,000	\$0
Community Events & Programs	\$0	\$0	\$0	\$0	\$7,000
<b>TOTAL</b>	<b>\$20,104</b>	<b>\$19,500</b>	<b>\$122,380</b>	<b>\$107,000</b>	<b>\$16,500</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$10,158	\$12,700	\$11,200	\$10,200	\$8,800
Conferences	\$2,880	\$33,741	\$8,900	\$8,900	\$7,700
Continuing Education	\$5,020	\$6,100	\$7,100	\$7,000	\$11,500
Office Supplies	\$3,277	\$1,825	\$3,125	\$2,000	\$4,400
Printing	\$544	\$500	\$700	\$700	\$1,105
Communications Expense	\$0	\$100	\$100	\$0	\$0
Meeting Expense	\$1,804	\$2,648	\$9,536	\$4,500	\$3,440
<b>TOTAL</b>	<b>\$23,684</b>	<b>\$57,614</b>	<b>\$40,661</b>	<b>\$33,300</b>	<b>\$36,945</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay	0	0	0	0	0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$79,268</b>	<b>\$117,161</b>	<b>\$212,146</b>	<b>\$179,890</b>	<b>\$93,088</b>

**01 - General Fund**  
**040 - Municipal Court**

**Total Budgeted Expenditures \$394,490**

### **Mission Statement**

The Fountain Hills Municipal Court is committed to professionally serving the citizens of Fountain Hills by administering justice in a fair, efficient and respectful manner, so as to enhance public trust and community confidence in our court system.

### **Department/Division Description**

The Fountain Hills Municipal Court is the judicial branch of the Fountain Hills government. Pursuant to State law and the Town Code, decisions regarding the overall function of the Court are the sole responsibility of the Presiding Judge, who also has exclusive supervisory authority over all court personnel. The Court has jurisdiction over civil traffic, criminal traffic and criminal misdemeanor offenses and violations of our Town Code and ordinances. The Court also has authority over specified juvenile offenses. In addition, the Municipal Court Judge has authority to issue arrest/search warrants and civil protective orders.

As part of the Arizona State Court System, the Fountain Hills Municipal Court is subject to the authority and administrative supervision of the Arizona Supreme Court. The Fountain Hills Municipal Court has legal obligations and reporting responsibilities to the State, as well as to the Town of Fountain Hills. The Court must comply with constantly changing federal, state and local laws and administrative rules, including those relating to crimes and criminal procedure, victims rights, domestic violence, driving under the influence, record keeping, ADA, Minimum Accounting Standards and judicial ethics.

### **Performance Standards**

Adjudicate 90% of all civil traffic cases within 60 days

Adjudicate 80% of criminal and criminal traffic cases within 60 days and 95% within 120 days

Maintain a fair and impartial environment to resolve legal disputes

Respond to incoming mail requests within 24 hours

Issue warrants for failure to appear within two business days

Keep written procedures current with changes in laws and rules

### **FY 2007–2008 Accomplishments**

Successfully completed the fifth year of the Fountain Hills Community Teen Court, which was recognized by the Maricopa County Board of Supervisors for its outstanding contribution to the juvenile justice system.

Continued the use of video conferencing in lieu of personal appearances for cases involving incarcerated defendants, thereby cutting transport costs for the Maricopa County Sheriff's Office, as well as removing security risks involved with having such defendants appear in the Court.

Purchased a video surveillance system to enhance security with cameras in the courtroom and at the front counter area.

Enhanced the Court's recording equipment for improved reliability and quality of recorded

testimony.

Enhanced communication with the Fort McDowell Tribal Court to the benefit of both courts.

Participated as a pilot court for the Administrative Office of the Court for testing new computers and the new Vista operating system.

### **FY 2008-2009 Objectives**

Pursue sources for grant funding for a part-time probation officer to oversee compliance with sentencing for criminal cases and Driving Under the Influence cases.

Purchase a document scanner for more efficient archiving of Court records.

Pursue a letter of understanding with a court in a neighboring jurisdiction for disaster preparedness purposes.

Enhance the Court's website to include legislative updates and current court related information.

### **Performance Indicators**

<b>Description</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Estimate</b>	<b>FY 2008-09 Proposed</b>
<b>Civil traffic cases closed within 60</b>	90%	85%	88%	90%
<b>Criminal/Criminal traffic cases closed</b>	75%	72%	78%	80%
<b>Criminal/Criminal traffic cases closed</b>	97%	94%	94%	95%

### **Budget Highlights**

#### **Summary Expenditures - Court**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS</b>	\$320,581	\$340,700	\$354,420	\$361,420	\$369,190
<b>CONTRACTUAL SERVICES</b>	\$6,605	\$6,500	\$8,900	\$10,800	\$9,100
<b>REPAIRS &amp; MAINTENANCE</b>	\$1,553	\$1,000	\$800	\$600	\$600
<b>SUPPLIES &amp; SERVICES</b>	\$11,552	\$15,455	\$15,200	\$11,465	\$15,600
<b>CAPITAL EXPENDITURES</b>	\$0	\$0	\$0	\$0	\$0
<b>TRANSFERS</b>	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	\$340,291	\$363,655	\$379,320	\$384,285	\$394,490

<b>\$369,190</b>	Salaries and benefits for the Presiding Judge, Court Administrator, Senior Court Clerk and two Court Clerks
<b>\$9,100</b>	\$6,100 includes a service agreement with the Arizona Supreme Court for software use technical support for the hardware \$3,000 legal fees to include costs for pro-tem judges when the Presiding Judge has to be absent from the office as well as payments to jurors in the event of jury trials and interpreters as required for court hearings.
<b>\$15,600</b>	\$4,750 to cover the cost of printed updates to the Arizona Revised Statutes, professional dues and training \$3,500 for the cost of routine office supplies and small office equipment \$2,850 for printing forms, telecommunications and travel reimbursements \$2,500 bank charges for processing credit card payments, checks returned by the bank for non sufficient funds \$2,000 for required Court related conferences for the Presiding Judge and staff

#### MUNICIPAL COURT

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
<b>SALARIES &amp; BENEFITS</b>					
Overtime	\$172	\$965	\$0	\$0	\$0
Wages and Salaries	\$256,444	\$262,935	\$279,700	\$283,000	\$295,700
Employer FICA Expense	\$3,669	\$3,860	\$4,090	\$4,000	\$4,320
Unemployment Insurance Expense	\$424	\$300	\$350	\$350	\$320
Employee's Health Insurance	\$25,578	\$36,620	\$33,210	\$36,500	\$30,400
Employee's Life Insurance	\$694	\$1,120	\$910	\$850	\$960
Employee's Dental Insurance	\$2,973	\$3,330	\$2,560	\$2,500	\$2,490
Employee Vision Insurance	\$278	\$210	\$330	\$320	\$260
Worker Compensation Insurance	\$927	\$1,010	\$1,090	\$600	\$650
Employee's Retirement Expense	\$28,228	\$29,020	\$30,770	\$32,000	\$32,530
Disability Insurance	\$1,194	\$1,330	\$1,410	\$1,300	\$1,560
<b>TOTAL</b>	<b>\$320,581</b>	<b>\$340,700</b>	<b>\$354,420</b>	<b>\$361,420</b>	<b>\$369,190</b>
<b>CONTRACT SERVICES</b>					
Accounting Fees	\$0	\$0	\$2,000	\$4,000	\$0
Legal Fees	\$2,105	\$2,000	\$2,300	\$2,300	\$3,000
Intergovernmental Agreements	\$4,500	\$4,500	\$4,600	\$4,500	\$6,100
<b>TOTAL</b>	<b>\$6,605</b>	<b>\$6,500</b>	<b>\$8,900</b>	<b>\$10,800</b>	<b>\$9,100</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Office Equipment Repairs	\$1,553	\$1,000	\$800	\$600	\$600
<b>TOTAL</b>	<b>\$1,553</b>	<b>\$1,000</b>	<b>\$800</b>	<b>\$600</b>	<b>\$600</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$94	\$300	\$300	\$100	\$300
Conferences	\$1,596	\$1,800	\$1,800	\$600	\$1,700
Continuing Education	\$38	\$800	\$1,000	\$300	\$1,000
Dues & Publications	\$2,368	\$3,550	\$3,550	\$2,500	\$3,750
Office Supplies	\$3,099	\$4,000	\$3,300	\$3,200	\$3,500
Printing	\$1,653	\$2,000	\$2,000	\$1,600	\$2,000
Communications Expense	\$717	\$105	\$450	\$490	\$550
Meeting Expense	\$71	\$400	\$300	\$175	\$300
Bank Charges	\$1,917	\$2,500	\$2,500	\$2,500	\$2,500
<b>TOTAL</b>	<b>\$11,552</b>	<b>\$15,455</b>	<b>\$15,200</b>	<b>\$11,465</b>	<b>\$15,600</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Furniture/Equipment	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$340,291</b>	<b>\$363,655</b>	<b>\$379,320</b>	<b>\$384,285</b>	<b>\$394,490</b>

**01 - General Fund**  
**050 - General and Administrative**  
**Department**

**Total Budgeted Expenditures \$1,108,820**

### **Mission Statement**

The Administration Department is dedicated to serving the citizens of Fountain Hills by providing accurate and current information on Council legislation and administrative actions; supporting the Town of Fountain Hills and its departments; providing for the delivery of comprehensive financial services to internal and external customers; protecting the integrity of Town assets; maintaining Town facilities; and delivering the finest municipal services to ensure the highest quality of life for Fountain Hills' residents.

### **Department/Division Description**

There are five budgetary divisions within the Administration Department that provide administrative services for the Town government – Administration, Public Information, Information Technology, Economic/Downtown Development and Operational and Community Support. The Administration division includes expenses of the Town Clerk, Town Manager, Finance and Human Resources. The Information Technology division includes expenses relating to computers, network, software, telephone and public information (Channel 11 and web). The Operational Support division was created in FY05-06 to segregate the non-departmental expenditures that had previously been included with the Administration Department budget. This division accounts for expenses that apply to all functions of the Town government such as legal fees, annual financial audit, liability insurance, sales tax refunds and community benefit programs. The Public Information Division is a new division in the Town that began in the last quarter of FY2006/2007. The Economic/Downtown Development division is included in the Excise Tax budget as a separate fund with revenues from the dedicated local sales tax.

### **Performance Standards**

Issue business licenses within 10 working days

Facilitate the public's access to Town legislation and ensure preservation of legal documents

Conduct elections in accordance with current state law and facilitate the public's ability to vote

Update the Town Code to reflect legislation enacted by the Council within 30 days

Maintain the Town's "Certificate of Achievement for Excellence in Financial Reporting"

Maintain the Town's "Distinguished Budget Presentation Award"

Maintain the Town's current Aa3 bond rating

Provide a comprehensive personnel program based on merit principles administered in compliance with applicable local, state, and federal laws

Administer and coordinate all employee-related programs and benefits

Zero employee grievances

### **FY 2007–2008 Accomplishments**

Informed Fountain Hills residents of the projected long-term revenue gap

Developed financial implementation plan for strategic priorities

Presented revenue shortfall plan to the voters

Awarded the Government Finance Officers Association award for FY2006-07 Comprehensive Annual Financial Report

Awarded the Government Finance Officers Association award for the FY2007-08 Annual Budget

“Making the Grade: The Valley’s 2008 Environmental Report Card,” graded by the non-profit organization Valley Forward, shows Fountain Hills improving in three out of four categories. The largest improvement, “Land Use,” moved up three letter grades. In the “Air” category, the Town jumped two letter grades. The Town improved a full letter grade in “Water” use.

### **FY 2008-2009 Objectives**

Restructure financial policies for fiscal efficiency by:

- Creating a rainy day fund policy

- Identify funding source(s) for rainy day fund

- Create an action plan that stabilizes revenues during economic downturns

Upgrade Town’s investment in municipal software to integrate all programs and activities and provide better access for the public to obtain information on Town finances

Expand sales tax audit program to capture revenue leakage

Update Town Code

Honor the many residents who provide volunteer services to the Town

<b>DESCRIPTION</b>	<b>FY 2005-06 ACTUAL</b>	<b>FY 2006-07 ACTUAL</b>	<b>FY 2007-08 ESTIMATE</b>	<b>FY 2008-09 PROPOSED</b>
Awarded GFOA Budget Award	Yes	Yes	Yes	Yes
Awarded GFOA Financial Reporting Award	Yes	Yes	Yes	Yes
General Obligation Bond Rating	Aa3	Aa3	Aa3	Aa3
Debt per Capita	\$411	\$392	\$392	\$352
Sales Tax Audits Complete	6	2	2	25
Collections from Audit	\$522,630	\$54,355	\$45,000	\$85,000
Employee Grievances	0	0	0	0

## Budget Highlights

### Summary Expenditures - Administration

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
SALARIES & BENEFITS	\$947,066	\$914,000	\$791,000	\$902,000	\$829,200
CONTRACTUAL SERVICES	\$112,267	\$69,415	\$97,250	\$70,550	\$170,455
REPAIRS & MAINTENANCE	\$11,906	\$9,250	\$13,300	\$13,110	\$0
SUPPLIES & SERVICES	\$176,434	\$97,090	\$122,305	\$97,049	\$109,165
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$1,247,672</b>	<b>\$1,089,755</b>	<b>\$1,023,855</b>	<b>\$1,082,709</b>	<b>\$1,108,820</b>

<b>\$829,200</b>	Salaries and benefits for the Town Manager, Assistant to the Town Manager, Town Clerk, Human Resources Administrator, Finance Director, Volunteer Coordinator and support staff. There are no additional staffing requests for FY09								
<b>\$170,455</b>	\$90,000 for the full cost of the Special Transportation Services medical transport for residents who are seniors, low income or disabled. This service was previously partially funded through Local Transportation Assistance Funds (LTAF II), however, the future distribution of these funds to cities and towns is unknown \$42,000 to expand the scope of work for the Town's outside sales tax auditor to include art fairs, residential rentals and transient businesses \$12,000 to update the Town code for inconsistencies and old references \$8,600 for outside payroll service \$7,800 for outside transcription service \$2,050 for Town participation with Maricopa County Department of Emergency Management for emergency preparedness.								
<b>\$109,165</b>	\$44,450 for various association, membership dues and subscriptions that the Town belongs to: <table> <tr> <td>League of Arizona Cities and Towns</td><td>\$13,620</td></tr> <tr> <td>Greater Phoenix Economic Council</td><td>\$ 9,960</td></tr> <tr> <td>Maricopa Association of Governments</td><td>\$ 4,200</td></tr> <tr> <td>Valley Forward, Innovations Group, etc.</td><td>\$16,670</td></tr> </table> \$18,900 for professional certification training, tuition reimbursement, election training and annual Director retreat \$10,540 for routine office supplies including toner for printers, volunteer badges and appreciation gifts \$9,505 for staff to attend the AMCA and ACMA conferences, Clerks regional conference, East Valley Managers Luncheon co-hosted with Scottsdale \$6,300 for volunteer recognition program, serendipity event and holiday float \$7,581 for printing costs for checks, forms, envelopes and letterhead \$5,300 reimbursement for travel, one-on-one Manager meetings and community meetings \$3,089 for telecommunication costs for management cell phones	League of Arizona Cities and Towns	\$13,620	Greater Phoenix Economic Council	\$ 9,960	Maricopa Association of Governments	\$ 4,200	Valley Forward, Innovations Group, etc.	\$16,670
League of Arizona Cities and Towns	\$13,620								
Greater Phoenix Economic Council	\$ 9,960								
Maricopa Association of Governments	\$ 4,200								
Valley Forward, Innovations Group, etc.	\$16,670								

**ADMINISTRATION**

	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>	<b>FY 2007-2008</b>	<b>FY 2008-2009</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Est Actual</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$7,706	\$1,051	\$2,000	\$1,000	\$2,000
Wages and Salaries	\$775,065	\$748,349	\$641,300	\$740,000	\$680,300
Employer FICA Expense	\$17,073	\$16,000	\$14,500	\$17,000	\$15,100
Unemployment Insurance Expense	\$1,373	\$900	\$800	\$800	\$800
Employee's Health Insurance	\$46,496	\$54,400	\$57,500	\$57,500	\$50,200
Employee's Life Insurance	\$2,351	\$2,900	\$1,800	\$1,800	\$1,900
Employee's Dental Insurance	\$5,705	\$5,300	\$3,900	\$3,900	\$4,800
Employee Vision Insurance	\$611	\$800	\$700	\$700	\$900
Worker Compensation Insurance	\$11,945	\$3,800	\$3,300	\$2,500	\$2,000
Employee's Retirement Expense	\$75,920	\$77,000	\$61,900	\$73,500	\$67,900
Disability Insurance	\$2,821	\$3,500	\$3,300	\$3,300	\$3,300
<b>TOTAL</b>	<b>\$947,066</b>	<b>\$914,000</b>	<b>\$791,000</b>	<b>\$902,000</b>	<b>\$829,200</b>
<b>CONTRACT SERVICES</b>					
Professional Fees	\$107,908	\$53,760	\$72,700	\$46,000	\$78,405
Special Programs - RPTA	\$2,706	\$14,000	\$22,500	\$22,500	\$90,000
Emergency Management	\$1,653	\$1,655	\$2,050	\$2,050	\$2,050
<b>TOTAL</b>	<b>\$112,267</b>	<b>\$69,415</b>	<b>\$97,250</b>	<b>\$70,550</b>	<b>\$170,455</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance	\$76	\$1,250	\$500	\$310	\$0
Office Equipment Repairs	\$11,830	\$8,000	\$12,800	\$12,800	\$0
<b>TOTAL</b>	<b>\$11,906</b>	<b>\$9,250</b>	<b>\$13,300</b>	<b>\$13,110</b>	<b>\$0</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising, Promotion & Events	\$0	\$0	\$0	\$1,000	\$6,300
Conferences	\$17,778	\$9,860	\$13,445	\$2,149	\$9,505
Continuing Education	\$8,359	\$12,200	\$15,800	\$8,000	\$18,900
Dues & Publications	\$38,919	\$33,297	\$40,700	\$40,000	\$44,450
Gas & Oil Expense	\$4,843	\$3,130	\$2,475	\$2,100	\$3,500
Office Supplies	\$59,758	\$27,078	\$36,885	\$35,000	\$10,540
Printing	\$5,484	\$7,625	\$7,900	\$2,800	\$7,581
Communications Expense	\$30,284	\$0	\$0	\$1,000	\$3,089
Meeting Expense	\$11,008	\$3,900	\$5,100	\$5,000	\$5,300
<b>TOTAL</b>	<b>\$176,434</b>	<b>\$97,090</b>	<b>\$122,305</b>	<b>\$97,049</b>	<b>\$109,165</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay-Vehicles		0	0	0	0
Capital Outlay-Furniture/Equip	0	0	0	0	0
Capital Improvements-Town Hall	0	0	0	0	0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,247,672</b>	<b>\$1,089,755</b>	<b>\$1,023,855</b>	<b>\$1,082,709</b>	<b>\$1,108,820</b>



**01 - General Fund**

**050 - General and Administrative  
Department**

**105 - Operational Support Program**

**Total Budgeted Expenditures \$1,216,647**

## Operational & Community Support Division

This division was created in FY05-06 to include expenses previously included within the Administration Department that are applicable to all functions of the Town government. The types of expenses included within this division are overhead type costs and represents 7.5% of the General Fund budget.

<b>\$822,607</b>	\$28,107 for General Fund portion of annual outside audit \$339,500 for General Fund portion of Town Prosecutor, Public Defender, Town Attorney and other outside counsel as may be required \$100,000 second year of three year contract for youth services \$40,000 second year of three year contract for social services \$185,000 second year of three year contract for tourism \$130,000 second year of three year contract for youth arts
<b>\$18,440</b>	maintenance costs for Town reproduction equipment
<b>\$375,600</b>	\$17,750 for publishing of ordinances in newspaper, employee service awards \$318,400 for general fund portion of Town liability insurance including \$10,000 deductible \$28,600 for general office supplies, copy paper and postage

**OPERATIONAL & COMMUNITY SUPPORT**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>CONTRACT SERVICES</b>					
Accounting Fees	\$21,868	\$15,400	\$27,300	\$20,000	\$28,107
Legal Fees	\$405,573	\$347,000	\$369,500	\$350,000	\$339,500
Youth Services	\$160,000	\$100,000	\$100,000	\$100,000	\$100,000
Social Services	\$50,000	\$50,000	\$36,000	\$36,000	\$40,000
Tourism	\$125,000	\$125,000	\$150,000	\$150,000	\$185,000
Youth Arts	\$0	\$50,000	\$125,000	\$125,000	\$130,000
Sales Tax Rebates	\$183,339	\$400,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$945,780</b>	<b>\$1,087,400</b>	<b>\$807,800</b>	<b>\$781,000</b>	<b>\$822,607</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Equipment Repairs & Maintenance	\$67,177	\$0	\$0	\$0	\$18,440
<b>TOTAL</b>	<b>\$67,177</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$18,440</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$9,173	\$13,950	\$17,500	\$6,500	\$17,750
Electricity Expense	\$138,482	\$0	\$0	\$0	\$0
Liability Insurance	\$263,182	\$340,050	\$323,650	\$350,000	\$318,400
Office Supplies	\$0	\$0	\$0	\$0	\$10,560
Postage	\$23,422	\$27,340	\$14,000	\$18,000	\$18,040
Rent Expense	\$18,539	\$0	\$0	\$0	\$0
Water/Sewer	\$13,113	\$0	\$0	\$0	\$0
Bank Charges	\$8,356	\$6,992	\$9,400	\$16,000	\$10,850
<b>TOTAL</b>	<b>\$474,267</b>	<b>\$388,332</b>	<b>\$364,550</b>	<b>\$390,500</b>	<b>\$375,600</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,487,223</b>	<b>\$1,475,732</b>	<b>\$1,172,350</b>	<b>\$1,171,500</b>	<b>\$1,216,647</b>



**01 - General Fund**

**050 - General and Administrative  
Department**

**101 - Information Technology Program**

**Total Budgeted Expenditures \$581,181**

### **Mission Statement**

The mission of the Information Technology Division is to work in partnership with Town staff, facilitating their use of computing, telephone, and network technologies. The division also endeavors to provide excellent information technology, internal and external customer support, and resources to enable and encourage staff to effectively use technology to achieve Town-wide missions and strategic goals.

### **Department/Division Description**

Information Technology (I/T Division) functions are incorporated within the Administration Department but the appropriation is shown separately to highlight the total investment in technology. Responsibilities include all aspects of Information Technology: computers, the Internet, Town website, local and wide-area networks, inter-networking, voice and data communications systems, and cablecast technologies (Channel 11). All hardware and software requests in this section are based on departmental requests.

### **Performance Standards**

Coordinate and implement technology related purchases and processes Town-wide

Expand and enhance internal training programs

Act as technology consultant and coordinator for Town departments to aid in identification, selection, and implementation of technology driven or assisted needs

Develop enterprise-wide technology architecture to drive standards that enable information sharing and maximize return on technology investments

Provide strategic I/T services and serve as an enabler to improve the delivery of Town services and improve the efficiency, productivity, and financial performance of Town operations

### **FY 2007-2008 Accomplishments**

Maintained an estimated 98% uptime for the Town's data and voice networks.

Installed a robotic camera system in the Council Chambers for videotaping meetings. The new equipment provides multiple camera views for improved coverage during meetings, improved graphics, and future capacity to broadcast live meetings on Channel 11.

Incorporated a standalone email archiving device into the Town's data network to maintain compliance with the State's record retention schedule and improve email server performance as well as improve response time to requests for public information.

Switched Internet service providers from Arizona State Aspin network to Cox Communications fiber optic internet service. The Town now utilizes a scalable optical Internet connection.

Council meetings are broadcast live through the Town's website and available for replay.

### **FY 2008-2009 Objectives**

Broadcast live Town Council meetings on Channel 11 and Internet.

Update the Town's IT strategic plan to provide better citizen access to Town information

Implement quarterly workstation maintenance schedules to improve reliability and productivity.

Reduce the number of spam emails received by town workstations through proactive monitoring of email trends and usage.

#### **Performance Indicators**

<b>DESCRIPTION</b>	<b>FY 2005-06 ACTUAL</b>	<b>FY 2006-07 ACTUAL</b>	<b>FY 2007-08 ESTIMATE</b>	<b>FY 2008-09 PROPOSED</b>
<b>HelpDesk Work Orders</b>	1,373	1,362	1,500	1,450
<b>Number of Network Servers</b>	15	19	19	20
<b>Number of Workstations</b>	65	70	75	85
<b>Estimated Network Uptime</b>	N/A	95%	98%	99%
<b>Supported Cell Phones</b>	50	52	56	58
<b>Spam Emails Blocked</b>	N/A	900,000 ± 5%	1,500,000	1,750,000

#### **Budget Highlights**

**\$91,906** Salaries and benefits for the Information Technology Coordinator and part-time IT HelpDesk assistance

**\$3,000** Professional services for modifications to Town servers

**\$79,699** \$20,000 annual support for Active Software (recreation, community center and seniors)  
\$20,000 for routine repairs and maintenance on approximately 85 computer workstations and laptops  
\$9,000 for annual maintenance on AutoDesk (CAD software)  
\$7,000 for scheduled replacement of two servers (Town has 18 total)  
\$5,000 for Diskeeper annual maintenance  
\$3,500 for Cartegraph Software maintenance and upgrades (sign and pavement management)  
\$2,500 for Channel 11 equipment upgrade  
\$2,700 for vehicle maintenance and accident diagramming software

- \$72,975** \$42,225 for costs of telephone and mobile data service  
 \$17,700 annual cost of internet service provider  
 \$7,290 annual cost for subscription to hosted Code Enforcement software  
 \$3,600 for professional certification training for staff
- \$133,601** \$82,701 for municipal software licensing  
 \$14,000 for eCivis grant software  
 \$28,000 for scheduled replacement of one fourth of Town staff workstations (20 computers)  
 \$7,500 for fax server hardware and software  
 \$1,400 additional laptop computer for staff use
- \$200,000** Transfer to the Capital Improvement Projects fund for Upgrade Town's investment in municipal software, integrating all programs and activities to provide better access to information on Town finances and activities

**Summary Expenditures - I/T**

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
<b>SALARIES &amp; BENEFITS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$64,072</b>	<b>\$77,291</b>	<b>\$91,906</b>
<b>CONTRACTUAL SERVICES</b>	<b>\$30,789</b>	<b>\$87,100</b>	<b>\$49,250</b>	<b>\$51,550</b>	<b>\$3,000</b>
<b>REPAIRS &amp; MAINTENANCE</b>	<b>\$96,878</b>	<b>\$68,100</b>	<b>\$68,200</b>	<b>\$58,000</b>	<b>\$79,699</b>
<b>SUPPLIES &amp; SERVICES</b>	<b>\$60,870</b>	<b>\$106,833</b>	<b>\$93,458</b>	<b>\$73,945</b>	<b>\$72,975</b>
<b>CAPITAL EXPENDITURES</b>	<b>\$141,668</b>	<b>\$172,100</b>	<b>\$370,500</b>	<b>\$360,000</b>	<b>\$333,601</b>
<b>TOTAL EXPENDITURES</b>	<b>\$330,206</b>	<b>\$434,133</b>	<b>\$645,480</b>	<b>\$620,786</b>	<b>\$581,181</b>

**INFORMATION TECHNOLOGY**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$0	\$0	\$0	\$0
Wages and Salaries	\$0	\$0	\$50,902	\$64,000	\$71,600
Employer FICA Expense	\$0	\$0	\$740	\$1,700	\$2,080
Unemployment Insurance Expense	\$0	\$0	\$70	\$70	\$165
Employee's Health Insurance	\$0	\$0	\$5,628	\$4,955	\$8,366
Employee's Life Insurance	\$0	\$0	\$168	\$151	\$234
Employee's Dental Insurance	\$0	\$0	\$389	\$365	\$851
Employee Vision Insurance	\$0	\$0	\$65	\$60	\$168
Worker Compensation Insurance	\$0	\$0	\$257	\$150	\$191
Employee's Retirement Expense	\$0	\$0	\$5,598	\$5,600	\$7,876
Disability Insurance	\$0	\$0	\$255	\$240	\$376
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$64,072</b>	<b>\$77,291</b>	<b>\$91,906</b>
<b>CONTRACT SERVICES</b>					
Professional/Outside Services	\$5,865	\$4,800	\$49,250	\$51,550	\$3,000
Constituent Communications	\$24,924	\$82,300	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$30,789</b>	<b>\$87,100</b>	<b>\$49,250</b>	<b>\$51,550</b>	<b>\$3,000</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Computer Repairs & Maintenance	\$96,878	\$68,100	\$68,200	\$58,000	\$79,699
<b>TOTAL</b>	<b>\$96,878</b>	<b>\$68,100</b>	<b>\$68,200</b>	<b>\$58,000</b>	<b>\$79,699</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Conferences	\$265	\$4,400	\$0	\$495	\$500
Continuing Education	\$0	\$3,000	\$3,600	\$1,200	\$3,600
Dues & Publications	\$6,892	\$13,200	\$14,340	\$10,800	\$7,290
Office Supplies	\$3,889	\$2,250	\$6,000	\$1,450	\$1,100
Printing	\$0	\$15,000	\$0	\$0	\$0
Communications Expense	\$49,824	\$68,983	\$69,518	\$60,000	\$60,485
<b>TOTAL</b>	<b>\$60,870</b>	<b>\$106,833</b>	<b>\$93,458</b>	<b>\$73,945</b>	<b>\$72,975</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Equipment	\$69,257	\$3,000	\$0	\$0	\$0
Capital Outlay - Computers	\$56,147	\$22,100	\$38,700	\$35,000	\$32,400
Capital Outlay - Software	\$16,265	\$135,000	\$206,800	\$200,000	\$101,201
Capital Outlay - Communications	\$0	\$12,000	\$125,000	\$125,000	\$0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$141,668</b>	<b>\$172,100</b>	<b>\$370,500</b>	<b>\$360,000</b>	<b>\$133,601</b>
Transfer to CIP	\$0	\$0	\$0	\$0	\$200,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$330,206</b>	<b>\$434,133</b>	<b>\$645,480</b>	<b>\$620,786</b>	<b>\$581,181</b>



**01 - General Fund**

**050 - General and Administrative  
Department**

**108 - Public Information Division**

**Total Budgeted Expenditure \$201,633**

### **Mission Statement**

The Public Information Division is a new division created in the last quarter of FY2006/2007. The mission of the Public Information Division is to work in partnership with Town staff to facilitate external communication with the media and residents on Town Services and Town accomplishments. It has the resources to enable and encourage staff to effectively use information dissemination to communicate Town-wide missions and strategic goals. The division also endeavors to sustain the public trust through open and responsive government.

### **Department/Division Description**

The Public Information Division functions are incorporated within the Administration Department, but the appropriation is shown separately to highlight the total investment in communication. Responsibilities include all aspects of communication: media relations, Town website content, resident communications such as the Manager's Memo, Channel 11 programming, maintenance of the Town brand and maintenance of the Town kiosks.

### **Performance Standards**

Two videos to be completed about Fountain Hills for Channel 11.

Streamline Town communications.

### **FY 2007-2008 Accomplishments**

Creation of a consistent Town brand

New website designed and built

Manager's Memo created

Strengthened relationships with other municipalities, agencies and the legislature

Implementation of a Low Water Landscape Education campaign

Implementation of SPAC Outreach plan

Creation of nine Town kiosks

### **FY 2008-2009 Objectives**

Assist in training staff and the public on the new Town website, including: easy navigation, E-Government applications, online payments. And links to partner sites.

Coordinate the Town communications system into a centralized communications system rather than a decentralized department system

Assist and coordinate communication efforts to a broader demographic of the public on Town projects, services and programs

Improve internal staff and Council communications by providing weekly updates

Demonstrate the value of the Town to local and statewide civic and service organizations

Oversight of the Town's communication plan

Respond to media inquiries within 24 hours

Offer three Town stories a month to the media

### Budget Highlights

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
SALARIES & BENEFITS	\$0	\$0	\$68,212	\$73,146	\$85,334
CONTRACTUAL SERVICES	\$0	\$0	\$125,245	\$122,700	\$90,100
REPAIRS & MAINTENANCE	\$0	\$0	\$0	\$0	\$0
SUPPLIES & SERVICES	\$0	\$0	\$29,885	\$17,550	\$26,199
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$4,661	\$0
TOTAL EXPENDITURES	\$0	\$0	\$223,342	\$218,057	\$201,633

**\$85,334** Salaries and benefits for the Public Information Office

**\$90,100** \$4,600 for promotion of five Town events  
\$68,500 to produce two videos for Channel 11, printing and design of Community newsletter  
\$17,000 for professional services for low-water landscape contract, photo inventory and electronic storage of media clippings

**\$26,199** Bulk mail postage for newsletter, professional memberships, office supplies, conferences and subscription costs.

**PUBLIC INFORMATION**

	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>	<b>FY 2007-2008</b>	<b>FY 2008-2009</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Est Actual</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$0	\$0	\$0	\$0
Wages and Salaries	\$0	\$0	\$54,716	\$60,450	\$71,059
Employer FICA Expense	\$0	\$0	\$800	\$900	\$1,040
Unemployment Insurance Expense	\$0	\$0	\$70	\$90	\$63
Employee's Health Insurance	\$0	\$0	\$5,628	\$4,200	\$4,119
Employee's Life Insurance	\$0	\$0	\$181	\$153	\$224
Employee's Dental Insurance	\$0	\$0	\$389	\$330	\$393
Employee Vision Insurance	\$0	\$0	\$65	\$48	\$63
Worker Compensation Insurance	\$0	\$0	\$69	\$125	\$198
Employee's Retirement Expense	\$0	\$0	\$6,019	\$6,600	\$7,817
Disability Insurance	\$0	\$0	\$275	\$250	\$357
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$68,212</b>	<b>\$73,146</b>	<b>\$85,334</b>
<b>CONTRACT SERVICES</b>					
Professional/Outside Services	\$0	\$0	\$67,545	\$65,000	\$17,000
Community Events & Programs	\$0	\$0	\$0	\$0	\$4,600
Constituent Communications	\$0	\$0	\$57,700	\$57,700	\$68,500
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$125,245</b>	<b>\$122,700</b>	<b>\$90,100</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising	\$0	\$0	\$4,000	\$4,000	\$1,200
Conferences	\$0	\$0	\$4,365	\$1,500	\$1,174
Continuing Education	\$0	\$0	\$3,120	\$0	\$1,020
Dues & Publications	\$0	\$0	\$3,900	\$1,500	\$3,260
Office Supplies	\$0	\$0	\$1,900	\$750	\$1,700
Postage	\$0	\$0	\$10,500	\$7,000	\$14,000
Printing	\$0	\$0	\$2,100	\$1,500	\$2,100
Communications Expense	\$0	\$0	\$0	\$800	\$1,125
Meeting Expense	\$0	\$0	\$0	\$500	\$620
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,885</b>	<b>\$17,550</b>	<b>\$26,199</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Equipment	\$0	\$0	\$0	\$4,661	\$0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,661</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$223,342</b>	<b>\$218,057</b>	<b>\$201,633</b>

**09 - Excise Tax Fund**

**050 - General and Administrative  
Department**

**822 - Economic/  
Downtown Development**

**Total Budgeted Expenditure \$201,835**

### **Mission Statement**

The mission of the Economic/Downtown Development Program is two-fold: 1) to work in partnership with retail developers, leasing agents and business owners/managers to bring new business into Fountain Hills and 2) to enhance business vitality for existing businesses in Fountain Hills through downtown improvements and a business vitality program. The program coordinator endeavors to act as an ombudsman between the Town and the business community by providing excellent communication between these two groups and assisting business with the development process. The program coordinator also supports the business community by encouraging events and activities in the downtown.

### **Division Description**

The Economic/Downtown Development Program functions are incorporated within the Administration Department but the appropriation is shown separately to highlight the total investment in economic development. Responsibilities include facilitation of business attraction and recruitment, business retention, downtown development, small business development, business education and redevelopment and reuse.

### **Performance Standards**

Continue to evaluate and improve the efficiency, accuracy, expediency and coordination of the planning, engineering and building review process for commercial developments.  
Encourage and support small business education classes and seminars.  
Act as an ombudsman for businesses to assist with communication of Town regulations and to assist with the development process.  
Support existing businesses by implementing business retention strategies.  
Communicate efforts with other municipalities and economic development agencies.  
Build and maintain relationships with other municipalities and economic development agencies.  
Evaluate and implement technology led strategies that would improve the delivery of economic development services.

### **FY 2007–2008 Accomplishments**

Facilitation of the Fountain Hills Plaza (Bashas' Plaza) devevelopment planning

Implementation of a business retention program.

Coordination of the review process between economic development, planning, engineering and building departments.

Partnership with the Chamber of Commerce on growing the Business Vitality Advisory Council and economic development planning.

Facilitation of the south side of the Ave of the Fountains development team to address inquiries and plan discussions.

### **FY 2008-2009 Objectives**

Assist in coordinating more events in the downtown area.

Expand the business retention program.

Hold two economic development visioning sessions with stakeholders in the community.

Enhance the business environment in the Downtown area through mainstreet program coordination.

Work with the Chamber of Commerce on the Business Vitality Advisory Council's Plan.

Facilitate the process of establishing downtown way finding signs on Shea Boulevard.

Continue to facilitate south side of the Ave of the Fountains development inquiries and discussions.

### **Excise Tax – Special Revenue**

In November, 2000, the Town Council passed Ordinance 00-12 dedicating a portion of local sales tax collected (excise tax) to downtown development. The funds are to be used to attract and retain business in the downtown area; expenditures include 50% of the salary and benefits of the Town's Assistant to the Town Manager.

#### **Budget Highlights**

<b>\$47,570</b>	Salary and benefits for economic development work (50%), remainder is funded through General Fund
<b>\$59,000</b>	\$48,000 for downtown holiday lighting \$6,000 for promoting downtown events and business activities, business showcase \$5,000 contract for material for business recruitment
<b>\$82,265</b>	\$62,830 downtown signs and banners, wayfinder signs and downtown kiosks \$8,260 for business appreciation events, grand openings, mainstreet meetings, business meetings
<b>\$10,000</b>	new speakers and wiring on downtown light poles
<b>\$3,000</b>	Transfer to General Fund to support downtown events

**EXCISE TAX - DOWNTOWN DEV****REVENUES:**

Downtown Development (.1%)  
General Fund Transfer

**TOTAL REVENUES**

<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
458,190	486,877	314,281	314,281	290,090
\$0				
<b>\$458,190</b>	<b>\$486,877</b>	<b>\$314,281</b>	<b>\$314,281</b>	<b>\$290,090</b>

**EXPENDITURES:****SALARIES & BENEFITS:**

Wages  
FICA  
Unemployment Insurance  
Employee's Health Insurance  
Employee's Life Insurance  
Employee's Dental Insurance  
Employee's Eye Insurance  
Worker's Compensation Insurance  
Employee's Retirement Fund  
Disability Insurance

**TOTAL SALARIES/BENEFITS**

38,275	\$37,465	35,500	39,167	39,800
555	\$544	530	571	590
79	\$42	40	0	30
3,422	\$3,819	2,810	3,015	2,060
142	\$132	110	104	130
332	\$289	190	197	200
60	\$60	30	31	30
181	\$148	140	200	140
4,210	\$4,123	3,900	4,470	4,380
183	\$178	180	167	210
<b>\$47,439</b>	<b>\$46,800</b>	<b>\$43,430</b>	<b>\$47,922</b>	<b>\$47,570</b>

**CONTRACT SERVICES**

Professional Fees  
Community Events  
Holiday Lighting  
Sales Tax Rebate

**TOTAL CONTRACT SERVICES**

31,630	\$32,990	101,000	57,748	5,000
0	0	0	0	6,000
0	0	0	38,000	48,000
4,905	0	0	0	0
<b>\$36,535</b>	<b>\$32,990</b>	<b>\$101,000</b>	<b>\$95,748</b>	<b>\$59,000</b>

**SUPPLIES & SERVICES**

Advertising/Signage  
Conferences  
Education/Training  
Dues/Publications  
Office Supplies  
Printing  
Communication  
Meetings/Travel

**TOTAL**

0	27,824	15,850	747	62,830
1,751	8,087	5,600	2,628	530
2,047	383	5,040	0	4,830
767	1,418	1,620	6,200	1,995
947	1,826	250	228	200
1,794	1,060	2,100	0	2,120
588	1,178	530	1,450	1,500
442	2,631	7,700	1,794	8,260
<b>\$8,336</b>	<b>\$44,407</b>	<b>\$38,690</b>	<b>\$13,047</b>	<b>\$82,265</b>

**CAPITAL EXPENDITURES**

Capital Outlay

**TOTAL CAPITAL EXPENDITURES**

800,000	400,860	15,000	0	10,000
<b>\$800,000</b>	<b>\$400,860</b>	<b>\$15,000</b>	<b>\$0</b>	<b>\$10,000</b>

**Transfers****TOTAL EXPENDITURES**

				<b>\$3,000</b>
<b>\$892,310</b>	<b>\$525,057</b>	<b>\$198,120</b>	<b>\$156,717</b>	<b>\$201,835</b>

**01 - General Fund**  
**061 - Public Works Department**

**Total Budgeted Expenditures \$1,305,208**

### **Mission Statement**

The Public Works Department's mission is to express and enhance the beauty, value, and quality of the environment by operating and maintaining public grounds, dams, medians, natural washes and open space, as well as protecting the health, safety, and well being of the public by assuring properly designed and constructed infrastructure, correct property transfers, quality mapping, and excellent customer service.

### **Department/Division Description**

The Open Space and Engineering Divisions are responsible for the operation and maintenance of Town-owned wash parcels, open space, dams, public grounds and median landscaping. The department is responsible for six ADWR jurisdictional dams and numerous smaller dams. The Facilities Division maintains Town-owned buildings (except public parks), including Town Hall, Community Center/Library, two fire stations, Community Theatre buildings, and the street yard.

Engineering processes, reviews, permits and inspects encroachment permits, including subdivision plans, "off-site" improvement plans and utility cuts. Engineering supports Building Safety by reviewing and inspecting site work plans for building permits. Engineering also supports the Planning Division by technical review of area specific plans, rezonings, preliminary plats, special use permits and other land use matters. Public Works is responsible for all right-of-way capital projects including streets, traffic, drainage and landscaping, and it provides technical support for park and building projects. It provides project planning, design and drafting (or design contract management and plan review), construction inspection and contract administration. The Engineering Division also handles all street related construction maintenance contracts, including their design, layout and inspection.

### **Performance Standards**

All requested plan reviews (1st submittal) shall be processed within 20 working days. (#1 Performance Indicator)

All requested utility encroachment permits shall be processed within 5 working days. (#2 Performance Indicator)

All requested easement abandonment requests shall be processed within 35 working days. (#3 Performance Indicator)

### **FY 2007–2008 Accomplishments**

Submitted the Stormwater Management Plan to Arizona Department of Environmental

Quality (ADEQ) and the Environmental Protection Agency (EPA) for municipal stormwater discharges.

Fulfill the first six requirements of the Stormwater Management Plan as required by ADEQ and EPA.

Continued the wash management program at various locations where fire hazards existed.

Completed pedestrian safety study in connection with the Strategic Plan goal.

Reviewed site plans for building permits, subdivision preliminary plats and condo replats. (#1 Performance Indicator)

Reviewed, permitted and inspected utility permit requests. (#2 Performance Indicator)

Reviewed and processed easement and right-of-way abandonments and acquisitions. (#3 Performance Indicator)

Completed Pavement Management analysis and presented to Town Council

### **FY 2008-2009 Objectives**

Provide wash management at urgent and moderate fire hazard areas in coordination with the Fire Department requests.

Provide capital project planning, design and construction consistent with the budget.

### **Performance Indicators**

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Estimate	FY 2008-09 Proposed
#1 Performance Indicator	90%	90%	90%	90%
#2 Performance Indicator	90%	90%	85%	90%
#3 Performance Indicator	80%	80%	85%	90%

## Budget Highlights

### Summary Expenditures - Public Works

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
SALARIES & BENEFITS	\$529,540	\$653,560	\$677,980	\$649,860	\$667,370
CONTRACTUAL SERVICES	\$27,726	\$162,562	\$802,465	\$482,000	\$103,950
REPAIRS & MAINTENANCE	\$411,726	\$474,965	\$494,390	\$474,800	\$415,908
SUPPLIES & SERVICES	\$68,527	\$89,320	\$93,130	\$97,851	\$105,105
CAPITAL EXPENDITURES	\$29,275	\$33,000	\$33,000	\$0	\$12,875
<b>TOTAL EXPENDITURES</b>	<b>\$1,066,794</b>	<b>\$1,413,407</b>	<b>\$2,100,965</b>	<b>\$1,704,511</b>	<b>\$1,305,208</b>

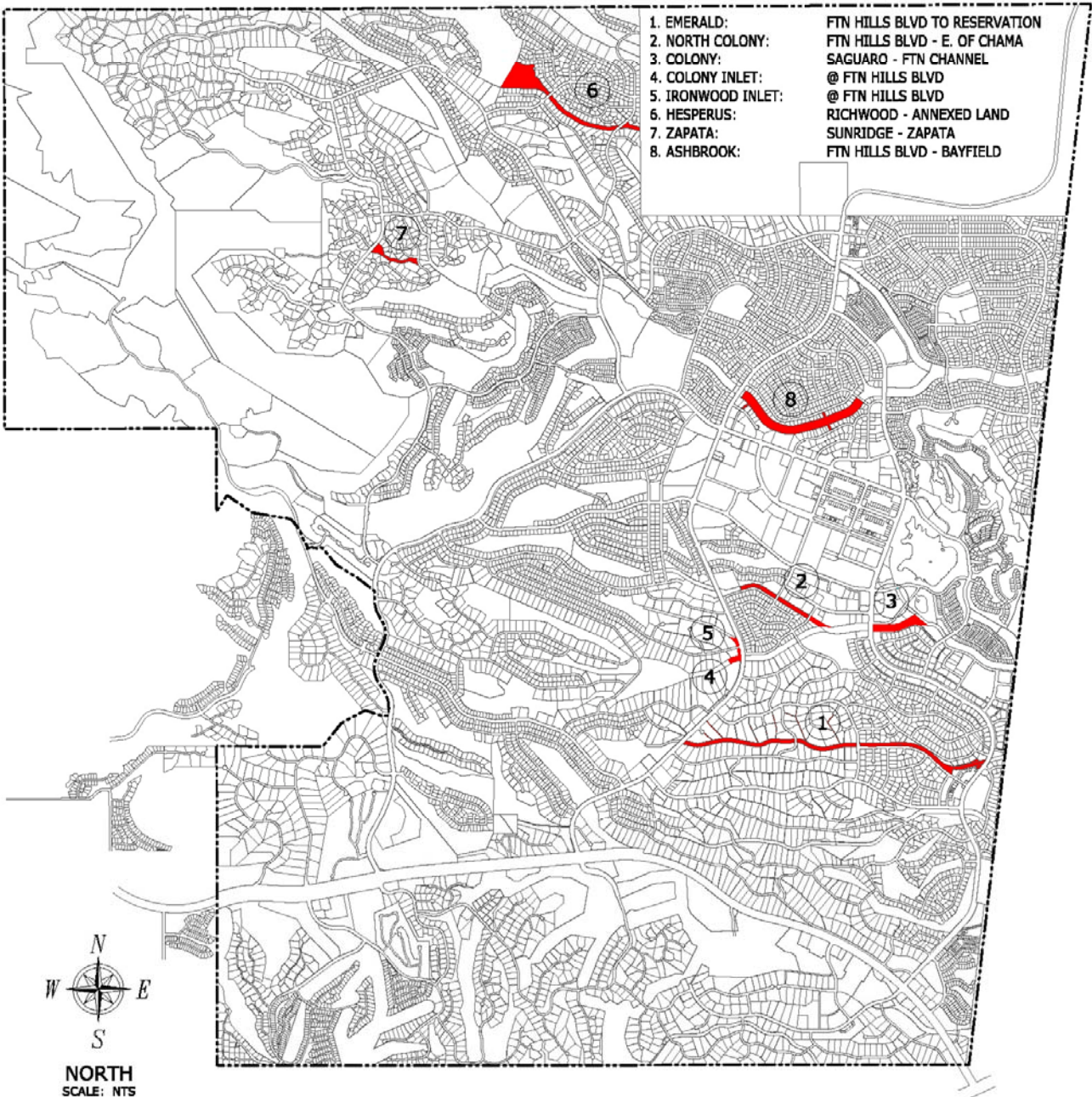
<b>\$667,370</b>	Salaries and benefits includes engineering staff, median, wash and dam maintenance staff, and facilities staff
<b>\$103,950</b>	\$13,750 annual environmental assessment for ADOT and/or CIP projects \$15,800 to inventory and add to GIS system all Town owned trees \$19,400 for the bi-annual Pavement Management Program update \$55,000 consulting contract for stormwater program Phase I implementation and testing mandates
<b>\$415,908</b>	\$227,645 for landscape maintenance contract for medians, palm tree trimming and skinning, median fountain maintenance \$90,830 for wash cleanup (see map on pg 92), bridge inspections, and dam inspections and cleanup \$20,283 for mowing, fertilizing, mulch and overseed of turf \$17,656 for annual palm tree trimming and skinning \$13,600 post emergent spraying \$11,570 for bridge inspections and maintenance on six (6) dams \$11,424 for maintenance of fountains on medians \$10,750 for revegetation, tree trimming \$7,600 for miscellaneous irrigation parts and repairs \$4,550 for backflow testing and operations
<b>\$105,105</b>	\$71,000 utilities for median irrigation and water features \$11,800 for fuel for six (6) Public Works vehicles \$5,340 professional memberships, publications and conferences, stormwater management training
<b>\$12,875</b>	Vehicle depreciation for transfer to vehicle replacement fund (VRF)

<b>PUBLIC WORKS</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$6,092	\$4,581	\$4,750	\$2,200	\$2,241
Wages	\$408,559	\$501,619	\$517,950	\$482,000	\$516,759
FICA	\$5,823	\$7,380	\$7,640	\$7,000	\$7,580
Unemployment Insurance	\$510	\$480	\$560	\$560	\$500
Employee's Health Insurance	\$44,029	\$59,430	\$65,560	\$72,000	\$64,980
Employee's Life Insurance	\$1,318	\$2,070	\$1,640	\$13,000	\$1,630
Employee's Dental Insurance	\$4,320	\$5,450	\$4,800	\$4,850	\$4,840
Employee's Vision Insurance	\$553	\$760	\$750	\$750	\$950
Worker's Compensation Insurance	\$10,757	\$13,600	\$14,210	\$10,000	\$8,060
Employee's Retirement Fund	\$45,550	\$55,680	\$57,500	\$55,000	\$57,100
Recruitment Costs	\$0	\$0	\$0	\$0	\$0
Disability Insurance	\$2,029	\$2,510	\$2,620	\$2,500	\$2,730
<b>TOTAL</b>	<b>\$529,540</b>	<b>\$653,560</b>	<b>\$677,980</b>	<b>\$649,860</b>	<b>\$667,370</b>
<b>CONTRACT SERVICES</b>					
Contractual Services	\$500	\$1,000	\$17,500	\$15,000	\$48,950
Engineering Fees	\$27,226	\$161,562	\$784,965	\$467,000	\$55,000
<b>TOTAL</b>	<b>\$27,726</b>	<b>\$162,562</b>	<b>\$802,465</b>	<b>\$482,000</b>	<b>\$103,950</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Repair & Maint.	\$3,545	\$3,600	\$3,000	\$3,000	\$2,100
Mowing/Landscape Maintenance	\$266,750	\$312,743	\$326,800	\$326,800	\$296,008
Wash Maintenance	\$141,431	\$158,622	\$164,590	\$145,000	\$117,800
<b>TOTAL</b>	<b>\$411,726</b>	<b>\$474,965</b>	<b>\$494,390</b>	<b>\$474,800</b>	<b>\$415,908</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising	\$1,378	\$650	\$500	\$250	\$250
Conferences	\$1,833	\$1,950	\$6,400	\$6,000	\$5,340
Education/Training	\$195	\$1,000	\$1,000	\$715	\$1,550
Dues & Publications	\$1,394	\$2,545	\$2,640	\$2,406	\$3,040
Electricity	\$2,944	\$12,420	\$14,000	\$15,400	\$16,500
Gas & Oil	\$7,603	\$8,520	\$7,100	\$11,800	\$11,800
Office Supplies	\$2,389	\$3,000	\$3,000	\$3,000	\$3,600
Tools, Shop Supplies	\$1,155	\$550	\$500	\$100	\$1,000
Printing	\$1,681	\$1,000	\$5,665	\$100	\$2,600
Communications Expense	\$2,958	\$3,360	\$3,600	\$3,400	\$3,600
Water/Sewer	\$43,680	\$52,000	\$46,500	\$54,000	\$54,500
Travel	\$711	\$500	\$1,000	\$680	\$500
Uniforms	\$605	\$1,825	\$1,225	\$0	\$825
Bank Charges	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$68,527</b>	<b>\$89,320</b>	<b>\$93,130</b>	<b>\$97,851</b>	<b>\$105,105</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Vehicles	\$29,275	\$33,000	\$33,000	\$0	\$0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$29,275</b>	<b>\$33,000</b>	<b>\$33,000</b>	<b>\$0</b>	<b>\$0</b>
Transfer to VRF	\$0	\$0	\$0	\$0	\$12,875
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,875</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,066,794</b>	<b>\$1,413,407</b>	<b>\$2,100,965</b>	<b>\$1,704,511</b>	<b>\$1,305,208</b>

# TOWN OF FOUNTAIN HILLS

## PROPOSED WASH MAINTENANCE

### 2007-2008



**01 - General Fund**  
**061 - Public Works Department**  
**110 - Facilities Maintenance Program**

<b>Total Budgeted Expenditures</b>	<b>\$513,150</b>
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### **Mission Statement**

Maintain all Town Facilities in a manner that provides a safe, healthy and secure environment for staff and our visiting public.

### **Department/Division Description**

Facilities Maintenance is a new division of Public Works created in FY2006-07 with responsibility for the maintenance and repair of twelve Town owned buildings totaling 116,187 square feet. The Facilities Department is responsible for all Capital Improvement Projects related to Town Facilities such as new buildings, major renovations and new programs with expenditures of \$50,000 or more. Responsibilities also include managing the Town fleet fuel program, waste collection and recycling. Manages a sophisticated software HVAC operation system for the Civic Center buildings, charged with implementing ADA (Americans with Disabilities Act) upgrades, policies, and review of projects with ADA issues. Conduct periodic public auctions in the disposal of Town property surplus, work in partnership with the Town Clerk managing the "Arizona Records Reduction Act" assuring proper record keeping and scheduling commercial shredding.

### **Performance Standards**

Respond to all conditions on Town owned property negatively affecting health and safety to staff and the public with the highest priority level.

Reply to all work requests submitted with acknowledgment and provide a schedule for completion within 24 hours.

Stay on schedule with periodic preventive maintenance tasks (HVAC filter change, motor belts, lubrications etc.)

Conduct scheduled fire safety equipment inspections monthly.

Conduct monthly elevator operation inspection.

Maintain a high level of custodial care at Town Hall and the Library daily.

Exercise a high level of safety conscientiousness when performing risky maintenance tasks.

Manage the completion of Capital Expenditure and Capital Improvement projects in a timely manner.

Communicate and schedule all projects and repairs with staff affecting their operations in advance.

### **FY 2007-2008 Accomplishments**

Provided pavement to front driveway of Fire Station #1.

Finished shell space in Room 109 of Town Hall for work shop and storage.

Completed re-painting of Civic Center buildings along with shade awnings upgrades.

Managed Town Hall water and art feature installation to completion.

Completed several art installation projects on Town Hall property.

Installed new public information boards and mail drop facility at Town Hall.

Provided additional Archiving Storage Space for Town Staff Departments.

Provided Photo Electric Eyes for improved energy conservation throughout Civic Center parking lot lighting system.

Conducted two public auctions of Town surplus equipment returning proceeds to the General Fund.

### **FY 2008-2009 Objectives**

Complete the Emergency Operation Center project operating out of Town Hall Council Chamber, coordinated efforts with the Fire Department and Town Information Technology Division.

A complete renovation of Fire Station #1 main restroom and showers.

Install a motorized gate opening system for the very cumbersome yard gate at the rear of the Community Center.

Repair roof structure at Town owned Kiwanis and Community Theater Buildings.

Initiate and manage Design Build process for a new Fire Station #2 working closely with Fire Department Chief Operations Officer.

Work with Civic Organizations to design and construct an events circle between the Community Center and Library buildings.

<b>Description</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Estimate</b>	<b>FY 2008-09 Proposed</b>
<b>In house Custodial</b>	N/A	90%	90%	95%
<b>Work request response</b>	N/A	85%	80%	90%
<b>Preventive Maintenance</b>	N/A	88%	85%	88%
<b>Emergency response</b>	N/A	98%	98%	98%
<b>Safety Inspections</b>	N/A	99%	98%	99%
<b>On time performance evaluation</b>	N/A	98%	98%	98%

## Budget Highlights

### Summary Expenditures - Facility Maintenance

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
SALARIES & BENEFITS	\$0	\$175,030	\$173,131	\$182,235	\$181,671
CONTRACTUAL SERVICES	\$0	\$0	\$0	\$0	\$0
REPAIRS & MAINTENANCE	\$0	\$66,900	\$79,750	\$79,630	\$86,984
SUPPLIES & SERVICES	\$0	\$144,207	\$141,615	\$156,425	\$161,963
CAPITAL EXPENDITURES	\$0	\$498,700	\$283,993	\$280,000	\$82,532
TOTAL EXPENDITURES	\$0	\$884,837	\$678,489	\$698,290	\$513,150

**\$181,671** Staff includes one Facilities Supervisor, one F/T Maintenance Technician and three P/T custodial maintenance staff for Town Hall and Library/Museum

**\$86,984** \$19,300 for service/maintenance agreements for heating/cooling and fire sprinkler maintenance and testing for eleven Town buildings  
\$16,000 in custodial maintenance supplies  
\$24,634 for service/repairs to fire station apparatus by doors, backup generators  
\$25,000 installation of art sculptures donated by the Fountain Hills Cultural and Civic Association

**\$161,963** \$154,307 utilities for Civic Center and Kiwanis buildings

**\$82,532** \$46,000 for roof improvements for Kiwanis and Community Theater buildings  
\$26,061 for renovation of restroom and showers for Fire Station #1  
\$9,000 for motorized gate behind Community Center  
\$1,471 transfer to Vehicle Replacement Fund

**FACILITIES MAINTENANCE**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$2,610	\$2,179	\$3,600	\$1,185
Wages and Salaries	\$0	\$146,090	\$144,228	\$155,000	\$153,873
Employer FICA Expense	\$0	\$4,080	\$4,680	\$5,000	\$5,020
Unemployment Insurance Expense	\$0	\$300	\$350	\$350	\$315
Employee's Health Insurance	\$0	\$0	\$0	\$100	\$0
Employee's Life Insurance	\$0	\$400	\$317	\$300	\$2,342
Employee's Dental Insurance	\$0	\$1,470	\$1,208	\$1,200	\$1,220
Employee Vision Insurance	\$0	\$190	\$181	\$120	\$88
Worker Compensation Insurance	\$0	\$8,350	\$8,171	\$4,500	\$4,882
Employee's Retirement Expense	\$0	\$11,080	\$11,335	\$11,600	\$12,166
Disability Insurance	\$0	\$460	\$482	\$465	\$581
<b>TOTAL</b>	<b>\$0</b>	<b>\$175,030</b>	<b>\$173,131</b>	<b>\$182,235</b>	<b>\$181,671</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance	\$0	\$1,250	\$1,250	\$1,130	\$1,250
Building Repairs & Maintenance	\$0	\$65,650	\$78,500	\$78,500	\$84,934
Equipment Repair & Maintenance	\$0	\$0	\$0	\$0	\$800
<b>TOTAL</b>	<b>\$0</b>	<b>\$66,900</b>	<b>\$79,750</b>	<b>\$79,630</b>	<b>\$86,984</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising	\$0	\$0	\$60	\$0	\$0
Continuing Education	\$0	\$0	\$990	\$500	\$400
Electricity Expense	\$0	\$128,300	\$122,000	\$135,000	\$138,808
Gas & Oil Expense	\$0	\$1,545	\$1,400	\$1,400	\$1,443
Office Supplies	\$0	\$0	\$100	\$125	\$300
Tools & Equipment	\$0	\$0	\$0	\$500	\$2,412
Communications	\$0	\$0	\$1,665	\$2,000	\$2,220
Water/Sewer/Trash	\$0	\$12,962	\$14,000	\$15,500	\$15,500
Uniforms	\$0	\$1,400	\$1,400	\$1,400	\$880
<b>TOTAL</b>	<b>\$0</b>	<b>\$144,207</b>	<b>\$141,615</b>	<b>\$156,425</b>	<b>\$161,963</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Improvements	\$0	\$498,700	\$283,993	\$280,000	\$81,061
<b>TOTAL</b>	<b>\$0</b>	<b>\$498,700</b>	<b>\$283,993</b>	<b>\$280,000</b>	<b>\$81,061</b>
Transfer to VRF	\$0	\$0	\$0	\$0	\$1,471
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,471</b>
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$884,837</b>	<b>\$678,489</b>	<b>\$698,290</b>	<b>\$513,150</b>



**02 - Highway Users Fund**  
**071 - Streets and Highways Department**

<b>Total Budgeted Expenditures</b>	<b>\$2,207,284</b>
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### **Mission Statement**

The Street Division is dedicated to quality customer service by operating, preserving and maintaining Town-owned roadways and traffic control systems safely and efficiently.

### **Department/Division Description**

The HURF (Highway User Revenue) Fund pays for Street Division personnel and contract work for street repairs, operations, maintenance and improvements. Major Street Division staff responsibilities include crack sealing, asphalt patching, signing, traffic signals, brush removal, storm debris clean up, street sweeping and street related emergency responses. The Division provides vehicle maintenance services for the entire Town fleet and traffic barricading for Town approved and sponsored special events. Contracted tasks include construction and renovation of streets, sidewalks, drainage facilities. Contracted major street maintenance items include concrete curb replacement, asphalt reconstruction, asphalt overlays, slurry seal and emulsion seal.

### **Performance Standards**

The HURF (Highway User Revenue Fund) pays for Street Division personnel and contract work for street repairs, operations, maintenance and improvements.

Major Street Division staff responsibilities include crack sealing, asphalt patching, signing, traffic signals, brush removal, storm debris clean up, street sweeping and street related emergency responses.

The Division provides vehicle maintenance services for the entire Town fleet and traffic barricading for Town approved and sponsored special events.

Contracted tasks include construction and renovation of streets, sidewalks, drainage facilities.

Contracted major street maintenance items include concrete curb replacement, asphalt reconstruction, asphalt overlays, slurry seal and emulsion seal

### **FY 2007–2008 Accomplishments**

Major projects and accomplishments included:

Received a grant for a new PM-10 compliant street sweeper.

Installed approximately 200 tons of erosion control at various wash crossings.

Continued Town-wide replacement of all street name signs and support poles.

Stormwater Management Plan requirement by hydro-vacuuming stormwater catch basins.

LED retrofit traffic signals for cost savings, increased reliability and improved visibility. Barricading and street closures for all special events (600 man-hours total for 4 special events).

Crack sealing in Sections 15, 22, 23, 14 town (approximately 15 miles of streets).

Street patching in town-wide areas – over 220 tons of asphalt and pot hole patching. Train staff member to become IMSA Level II Traffic Signal Technician.

### **FY 2008-2009 Objectives**

Implement program for in-house Traffic Signal maintenance & repair.

Convert one-third of street name signs to larger, higher visibility signs.

Prepare streets in the south central area of town for pavement maintenance activities.

Retrofit two traffic signals to LED signal heads for cost savings, increased reliability, and improved visibility.

Implement Storm Water Management Plan requirements by increased street sweeping to minimize road debris runoff.

### **Performance Indicators**

<b>Description</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Estimate</b>	<b>FY 2008-09 Proposed</b>
<b>Road Stripe</b>	31	24	21	13
<b>Slurry Seal</b>	0	34	30	25
<b>Mill &amp; Overlay</b>	0	0	0	3.1
<b>Traffic Signal LED Retrofit</b>	2	2	2	2

### **Budget Highlights**

#### **Summary Expenditures - Streets**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS</b>	\$589,071	\$685,646	\$585,392	\$539,754	\$593,055
<b>CONTRACTUAL SERVICES</b>	\$15,946	\$24,250	\$26,465	\$26,465	\$28,735
<b>REPAIRS &amp; MAINTENANCE</b>	\$599,505	\$1,648,724	\$1,477,328	\$1,478,542	\$350,870
<b>SUPPLIES &amp; SERVICES</b>	\$197,685	\$206,195	\$199,800	\$212,730	\$225,290
<b>CAPITAL EXPENDITURES</b>	<u>\$130,217</u>	<u>\$135,000</u>	<u>\$126,300</u>	<u>\$126,300</u>	<u>\$1,009,334</u>
<b>TOTAL EXPENDITURES</b>	\$1,532,424	\$2,699,815	\$2,415,285	\$2,383,791	\$2,207,284

<b>\$593,055</b>	Salaries and benefits for Street Superintendent, mechanic, two traffic signal technicians and six street maintenance technicians. There are no new positions added but there are two reclassifications this fiscal year.
<b>\$28,735</b>	This represents the streets allocation of legal and audit fees
<b>\$350,870</b>	\$122,450 for road maintenance including crackseal material, hot mix and hot tape, guardrail modifications, and replacement barricades and cones. Also includes \$18,000 in dump fees for the street sweeper dirt/brush and other road maintenance costs. \$114,225 for way finding and street name signs—includes poles and hardware \$71,735 includes \$35,000 reconstruction of signal and Palisades and Shea and additional funds for testing signals, maintenance and emergency signal repairs \$38,460 to maintain and repair Street Department heavy equipment and vehicles (crack seal machine, tractors, street sweeper and vehicles)
<b>\$225,290</b>	\$100,000 for streets allocation of liability insurance premium \$96,550 for utilities (electricity, fuel, water/sewer and telecommunications) \$8,000 for safety gear and shoes, and uniforms \$7,500 for mechanic tools, shop supplies and truck supplies \$7,850 for professional certifications, dues, training and conferences \$3,100 for dust control permit and CDL (Commercial Drivers License) exams
<b>\$1,009,344</b>	\$825,000 transfer to Capital Projects Fund for major road improvements \$115,843 transfer to Debt Service fund for annual debt payment \$66,491 transfer to Vehicle Replacement Fund for annual depreciation \$2,000 for a new printer/fax/copier machine

**STREET DEPARTMENT**

	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>	<b>FY 2007-2008</b>	<b>FY 2008-2009</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Est Actual</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$7,573	\$7,401	\$6,530	\$7,500	\$3,464
Wages and Salaries	\$412,533	\$477,844	\$405,964	\$390,000	\$434,724
Employer FICA Expense	\$6,037	\$7,000	\$6,040	\$6,000	\$6,420
Unemployment Insurance Expense	\$754	\$655	\$700	\$700	\$630
Employee's Health Insurance	\$62,175	\$77,212	\$61,904	\$57,500	\$60,946
Employee's Life Insurance	\$1,578	\$1,981	\$1,282	\$1,154	\$1,373
Employee's Dental Insurance	\$6,120	\$7,056	\$4,412	\$4,400	\$4,453
Employee Vision Insurance	\$754	\$960	\$723	\$700	\$827
Worker Compensation Insurance	\$41,998	\$49,771	\$50,391	\$25,000	\$29,717
Employee's Retirement Expense	\$47,342	\$53,377	\$45,375	\$45,000	\$48,201
Disability Insurance	\$2,208	\$2,389	\$2,071	\$1,800	\$2,300
<b>TOTAL</b>	<b>\$589,071</b>	<b>\$685,646</b>	<b>\$585,392</b>	<b>\$539,754</b>	<b>\$593,055</b>
<b>CONTRACT SERVICES</b>					
Accounting Fees	\$5,375	\$4,500	\$8,465	\$8,465	\$8,735
Professional Fees	\$1,321	\$10,500	\$0	\$0	\$0
Legal Fees	\$9,250	\$9,250	\$18,000	\$18,000	\$20,000
<b>TOTAL</b>	<b>\$15,946</b>	<b>\$24,250</b>	<b>\$26,465</b>	<b>\$26,465</b>	<b>\$28,735</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Repairs & Maintenance	\$45,232	\$36,330	\$36,341	\$36,000	\$38,460
Road Repair & Maintenance	\$160,694	\$194,231	\$243,645	\$245,000	\$122,450
Equipment Rental	\$0	\$500	\$500	\$0	\$500
Building Repairs & Maintenance	\$6,199	\$7,000	\$3,000	\$4,000	\$3,000
Equipment Repairs & Maintenance	\$0	\$500	\$500	\$200	\$500
Pavement Management	\$387,380	\$1,410,163	\$1,193,342	\$1,193,342	\$0
Traffic Signal Repair & Maintenance	\$0	\$0	\$0	\$0	\$71,735
Street Sign Repair & Maintenance	\$0	\$0	\$0	\$0	\$114,225
<b>TOTAL</b>	<b>\$599,505</b>	<b>\$1,648,724</b>	<b>\$1,477,328</b>	<b>\$1,478,542</b>	<b>\$350,870</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising	\$99	\$250	\$250	\$250	\$250
Conferences	\$3,505	\$3,975	\$2,000	\$400	\$2,000
Education/Training	\$3,375	\$3,030	\$2,950	\$2,000	\$2,700
Dues & Publications	\$4,295	\$5,550	\$5,150	\$3,500	\$3,150
License & Permits	\$0	\$0	\$0	\$0	\$3,100
Electricity	\$21,666	\$30,000	\$25,000	\$36,000	\$36,000
Gas & Oil	\$27,125	\$29,300	\$35,000	\$48,000	\$47,450
Liability Insurance	\$111,870	\$108,700	\$103,125	\$95,000	\$100,000
Office Supplies	\$595	\$1,320	\$1,820	\$1,000	\$1,800
Tools, Shop Supplies	\$6,819	\$4,800	\$5,050	\$5,500	\$7,500
Printing	\$390	\$200	\$240	\$0	\$240
Communication Expense	\$5,029	\$5,450	\$5,680	\$5,680	\$5,700
Water/Sewer	\$4,561	\$3,680	\$5,435	\$7,400	\$7,400
Travel	\$69	\$290	\$100	\$0	\$0
Uniforms	\$8,288	\$9,650	\$8,000	\$8,000	\$8,000
<b>TOTAL</b>	<b>\$197,685</b>	<b>\$206,195</b>	<b>\$199,800</b>	<b>\$212,730</b>	<b>\$225,290</b>
<b>CAPITAL OUTLAY</b>					
Capital Outlay - Vehicles	\$36,597	\$30,000	\$74,000	\$59,000	\$0
Capital Outlay - Furniture & Equipment	\$0	\$0	\$0	\$0	\$2,000
Capital Outlay - Improvements	\$0	\$50,000	\$0	\$0	\$0
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$36,597</b>	<b>\$80,000</b>	<b>\$74,000</b>	<b>\$59,000</b>	<b>\$2,000</b>
Transfer to VRF	\$0	\$0	\$0	\$0	\$66,491
Transfer to Debt Service	\$130,217	\$135,000	\$126,300	\$126,300	\$115,843
Transfer to CIP	\$0	\$0	\$0	\$0	\$825,000
<b>TOTAL TRANSFERS</b>	<b>\$130,217</b>	<b>\$135,000</b>	<b>\$126,300</b>	<b>\$126,300</b>	<b>\$1,007,334</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,569,021</b>	<b>\$2,779,815</b>	<b>\$2,489,285</b>	<b>\$2,442,791</b>	<b>\$2,207,284</b>



**01 - General Fund**  
**080 - Planning and Zoning**  
**Department**

**Total Budgeted Expenditures      \$817,373**

### **Mission Statement**

The Planning and Zoning Department is dedicated to enhancing the quality of life in Fountain Hills through innovative, proven planning techniques, and providing excellent customer service in a professional and timely manner.

### **Department/Division Description**

The Planning and Zoning Department administers the Town of Fountain Hills planning service. Planning functions include the processing of applications for General Plan amendments, area specific plans, special use permits, temporary use permits, re-zonings, subdivisions, variances, concept site plans, business signage, and other land use related requests. The department provides staff support to the Town Council, the Planning and Zoning Commission, and the Board of Adjustment. Staff represents the Town at intergovernmental meetings, Maricopa Association of Governments committees, boards, and special interest associations, and neighborhood groups.

### **Performance Standards**

Perform first review plan checks within 20 working days and subsequent plan reviews in 10 working days.

Respond to all citizen inquiries within the same working day.

Keep the Town Council, Planning and Zoning Commission, Board of Adjustment, and other commissions informed of new legislation and legal rulings pertaining to land use matters.

Provide educational opportunities to Planning and Zoning staff as well as members of the Town Council, Planning and Zoning Commission, and Board of Adjustment members on pertinent and evolving land use matters.

Ensure that the Town Council approved ordinances are enforced.

### **FY 2007–2008 Accomplishments**

Town Council approval of a Town environmental policy

Coordinated and conducted the first Town electronics recycling event

Implemented a mediation program to resolve neighborhood disputes

Awarded contract to update the Town General Plan

Received a \$10,000.00 grant to help defray the cost of the update to the General Plan

Completed 2007 update of the Town's Land Use Analysis and Statistical Report

Town Center Commercial Zoning District zoning and zoning map changes

Town initiated rezoning of vacant downtown property

Approved General Plan Amendment and Rezoning of the Ellman Company's property

(former State Trust Land)

### **FY 2008-2009 Objectives**

Perform first review plan checks within 20-working days

Perform subsequent plan review checks within 10-working days

Enforce Town ordinances and policies to maintain the Town's quality of life, provide safe living conditions, protect the environment and preserve resources

Develop unified ordinance document involving the Town's Zoning and Subdivision Ordinances to streamline and simplify development related ordinance

Oversee planning of the Ellman Property

Update the Town's General Plan

Update Town ordinances such as signs

Enhance stewardship of the natural environment

### **Performance Indicators**

<b>Description</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Estimate</b>	<b>FY 2008-09 Proposed</b>
<b>First review of plan checks w/i 20 days</b>	95%	95%	99%	99%
<b>Subsequent re- views w/i 10 days</b>	95%	95%	99%	99%

### **Budget Highlights**

#### **Summary Expenditures - Planning & Zoning**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS</b>	\$579,288	\$620,560	\$656,240	\$606,690	\$696,040
<b>CONTRACTUAL SERVICES</b>	\$130,634	\$163,100	\$170,900	\$112,750	\$83,150
<b>REPAIRS &amp; MAINTENANCE</b>	\$1,647	\$1,000	\$1,700	\$2,235	\$3,175
<b>SUPPLIES &amp; SERVICES</b>	\$34,107	\$34,164	\$34,799	\$28,059	\$27,823
<b>CAPITAL EXPENDITURES</b>	<u>\$0</u>	<u>\$0</u>	<u>\$29,000</u>	<u>\$26,000</u>	<u>\$7,185</u>
<b>TOTAL EXPENDITURES</b>	\$745,675	\$818,824	\$892,639	\$775,734	\$817,373

<b>\$696,040</b>	Staff includes code enforcement, mapping and graphics, planning and zoning
<b>\$83,150</b>	\$32,500 to update the Town's General Plan (partially grant funded) \$38,250 for hazardous materials disposal (partially grant funded) \$7,400 for annual cost of mediation program services \$5,000 consulting services for GIS system
<b>\$3,175</b>	Vehicle and printer equipment maintenance
<b>\$27,823</b>	Mapping and graphics office supplies, recording fees, public notices, professional memberships, training and conferences
<b>\$7,185</b>	Transfer to Internal Service Fund for vehicle replacement

## PLANNING & ZONING

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$1,309	\$2,181	\$0	\$150	\$0
Wages and Salaries	\$453,238	\$479,519	\$509,700	\$462,000	\$537,900
Employer FICA Expense	\$6,975	\$8,360	\$7,440	\$6,550	\$7,860
Unemployment Insurance Expense	\$876	\$600	\$730	\$700	\$670
Employee's Health Insurance	\$53,337	\$60,760	\$70,630	\$74,000	\$74,840
Employee's Life Insurance	\$1,533	\$1,990	\$1,660	\$1,200	\$1,880
Employee's Dental Insurance	\$6,097	\$6,670	\$4,300	\$5,200	\$5,720
Employee Vision Insurance	\$716	\$850	\$730	\$740	\$970
Worker Compensation Insurance	\$4,444	\$6,600	\$6,770	\$3,000	\$4,210
Employee's Retirement Expense	\$48,786	\$50,670	\$52,130	\$51,000	\$59,170
Recruitment Costs	\$0	\$0	\$0	\$0	\$0
Disability Insurance	\$1,977	\$2,360	\$2,150	\$2,150	\$2,820
<b>TOTAL</b>	<b>\$579,288</b>	<b>\$620,560</b>	<b>\$656,240</b>	<b>\$606,690</b>	<b>\$696,040</b>
Professional Fees	\$130,634	\$163,100	\$170,900	\$112,750	\$83,150
<b>TOTAL</b>	<b>\$130,634</b>	<b>\$163,100</b>	<b>\$170,900</b>	<b>\$112,750</b>	<b>\$83,150</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Repairs & Maintenance	\$410	\$600	\$700	\$1,310	\$1,425
Office Equipment Repairs & Maintenance	\$1,238	\$400	\$1,000	\$925	\$1,750
<b>TOTAL</b>	<b>\$1,647</b>	<b>\$1,000</b>	<b>\$1,700</b>	<b>\$2,235</b>	<b>\$3,175</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$2,306	\$1,500	\$1,800	\$1,500	\$1,700
Conferences	\$8,579	\$8,090	\$7,200	\$7,157	\$4,224
Continuing Education	\$2,087	\$2,850	\$3,150	\$2,405	\$1,703
Dues & Publications	\$4,637	\$3,392	\$4,360	\$2,500	\$2,644
Gas & Oil Expense	\$4,026	\$3,000	\$3,360	\$4,400	\$4,500
Office Supplies	\$5,981	\$9,467	\$9,467	\$5,402	\$8,450
Tools & Equipment	\$0	\$0	\$0	\$0	\$50
Postage & Delivery	\$0	\$0	\$0	\$0	\$672
Printing	\$3,266	\$3,200	\$1,500	\$1,500	\$1,325
Communications Expense	\$2,323	\$1,800	\$2,832	\$2,082	\$1,440
Meeting Expense	\$435	\$500	\$500	\$467	\$290
Uniforms	\$466	\$365	\$630	\$646	\$825
<b>TOTAL</b>	<b>\$34,107</b>	<b>\$34,164</b>	<b>\$34,799</b>	<b>\$28,059</b>	<b>\$27,823</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Expenditures - Vehicles	\$0	\$0	\$29,000	\$26,000	\$0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,000</b>	<b>\$26,000</b>	<b>\$0</b>
Transfer to VRF	\$0	\$0	\$0	\$0	\$7,185
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,185</b>
<b>TOTAL EXPENDITURES</b>	<b>\$745,675</b>	<b>\$818,824</b>	<b>\$892,639</b>	<b>\$775,734</b>	<b>\$817,373</b>



**01 - General Fund**  
**060 - Building Safety**

<b>Total Budgeted Expenditures</b>	<b>\$603,965</b>
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### **Mission Statement**

The Building Safety Division of the Planning & Zoning Department is dedicated to providing the highest quality construction permitting, plan review and building inspection services in a responsive and customer friendly manner. The Building Safety Division processes applications for permits to construct homes, commercial buildings, fences, pools, and any other structures. The division serves as a receiving and processing center for internal review of these plans. The division's review and inspection staff includes a building official, two certified residential plan examiners, three certified building inspectors and two permit technicians to assure compliance with the adopted building codes by the Town. The Building Safety Division also issues numerous reports regarding building activity to other public agencies.

### **Performance Standards**

Inspector must complete 20-inspections per working day

All requested plan reviews shall be processed within 15-working days

All scheduled inspections shall be completed within 24-hours

### **FY 2007-2008 Accomplishments**

Revised the Town Code to adopt the 2006 International Building Codes

Reviewed 700 building plans and permit applications

Performed 10,140 commercial and residential building inspections

### **FY 2008-2009 Objectives**

Provide increased building code enforcement of unpermitted construction activities

Provide adequate training to meet the Insurance Service Organization's minimum requirements for full points on Town survey

Continue to educate the staff, businesses, and the community about new code's implemented

### **Performance Indicators**

<b>Description</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Estimate</b>	<b>FY 2008-09 Proposed</b>
<b>Complete 20 inspections per day</b>	90%	90%	95%	98%
<b>Plan reviews processed within 15 working days</b>	90%	90%	95%	98%
<b>Inspections completed within 24 hours</b>	90%	90%	95%	98%

## Budget Highlights

### Summary Expenditures - Building Safety

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
SALARIES & BENEFITS	\$535,591	\$591,100	\$546,300	\$538,900	\$567,000
CONTRACTUAL SERVICES	\$0	\$45,717	\$0	\$0	\$0
REPAIRS & MAINTENANCE	\$947	\$1,250	\$800	\$800	\$849
SUPPLIES & SERVICES	\$19,518	\$28,925	\$29,600	\$22,855	\$25,967
CAPITAL EXPENDITURES	\$27,748	\$29,000	\$29,000	\$25,948	\$10,149
TOTAL EXPENDITURES	\$583,804	\$695,992	\$605,700	\$588,503	\$603,965

- \$567,000** one building official, two certified residential plan examiners, three certified building inspectors and two permit technicians
- \$25,967** \$13,157 for all Building staff training at the annual AZBO (Arizona Building Officials) training to maintain certifications. The Town's goal is to maintain an effective Insurance Services Office (ISO) rating for the community; this commitment requires continued investment in building staff training.  
\$6,000 for fuel for four (4) vehicles  
\$6,810 for routine office supplies, telecommunication fees and safety equipment
- \$10,149** Transfer to Vehicle Replacement Fund (VRF) for depreciation of vehicles

**BUILDING SAFETY**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$532	\$6,087	\$0	\$500	\$0
Wages and Salaries	\$409,824	\$439,413	\$411,000	\$410,000	\$433,300
Employer FICA Expense	\$5,681	\$6,500	\$6,000	\$5,700	\$6,300
Unemployment Insurance Expense	\$773	\$500	\$600	\$500	\$500
Employee's Health Insurance	\$55,403	\$68,500	\$65,000	\$66,000	\$64,400
Employee's Life Insurance	\$1,445	\$1,800	\$1,300	\$1,200	\$1,400
Employee's Dental Insurance	\$5,925	\$6,900	\$4,900	\$4,500	\$4,600
Employee Vision Insurance	\$849	\$1,100	\$800	\$700	\$900
Worker Compensation Insurance	\$8,334	\$9,100	\$9,400	\$4,800	\$5,600
Employee's Retirement Expense	\$45,113	\$49,000	\$45,200	\$43,000	\$47,700
Disability Insurance	\$1,711	\$2,200	\$2,100	\$2,000	\$2,300
<b>TOTAL</b>	<b>\$535,591</b>	<b>\$591,100</b>	<b>\$546,300</b>	<b>\$538,900</b>	<b>\$567,000</b>
<b>CONTRACT SERVICES</b>					
Professional Fees	\$0	\$45,717	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$45,717</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance	\$947	\$1,250	\$800	\$800	\$849
Equipment Maintenance	0				
<b>TOTAL</b>	<b>\$947</b>	<b>\$1,250</b>	<b>\$800</b>	<b>\$800</b>	<b>\$849</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$0	\$500	\$500	\$350	\$100
Conferences	\$0	\$2,125	\$1,850	\$1,200	\$1,975
Continuing Education	\$6,754	\$9,910	\$11,110	\$7,600	\$9,967
Dues & Publications	\$1,080	\$2,190	\$1,690	\$1,206	\$1,575
Gas & Oil Expense	\$5,014	\$5,650	\$6,000	\$5,600	\$6,000
Office Supplies	\$1,983	\$2,500	\$2,500	\$2,334	\$2,000
Tools, Shop Supplies	\$15	\$250	\$250	\$200	\$200
Printing	\$1,504	\$1,950	\$2,050	\$1,315	\$1,200
Communications Expense	\$3,060	\$3,200	\$3,000	\$3,000	\$2,400
Meeting Expense	\$0	\$150	\$150	\$50	\$0
Uniforms	\$108	\$500	\$500	\$0	\$550
<b>TOTAL</b>	<b>\$19,518</b>	<b>\$28,925</b>	<b>\$29,600</b>	<b>\$22,855</b>	<b>\$25,967</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Vehicles	\$27,748	\$29,000	\$29,000	\$25,948	\$0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$27,748</b>	<b>\$29,000</b>	<b>\$29,000</b>	<b>\$25,948</b>	<b>\$0</b>
Transfer to VRF	0	0	0	0	10,149
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,149</b>
<b>TOTAL EXPENDITURES</b>	<b>\$583,804</b>	<b>\$695,992</b>	<b>\$605,700</b>	<b>\$588,503</b>	<b>\$603,965</b>

**01 - General Fund**  
**081 - Recreation Department**

**Total Budgeted Expenditures      \$715,389**

### **Mission Statement**

The mission of the Fountain Hills Parks and Recreation Department is to enhance the quality of life by providing and maintaining safe, available, and accessible parks and recreation services that will meet the intellectual, social, cultural, and leisure needs of all residents.

### **Department/Division Description**

The Parks and Recreation Department is responsible for providing safe and accessible recreation services for all age groups. Parks and Recreation services include adult and youth sports, pre-school programs, cultural programs, teen services, outdoor programs, special events, special interest classes, adult education classes, and after school programs. The department also oversees a growing trails system.

### **Performance Standards**

Increase participation through unique marketing techniques, such as web marketing and e-newsletters.

Increase the department's volunteer base and continue to explore and use creative methods to recognize volunteers.

Provide Little League Baseball, Soccer Club, Pop Warner Football and Cheerleading with assistance to help ensure the success of their respective organizations.

Solicit special event sponsorship from community organizations and businesses.

### **FY 2007-2008 Accomplishments**

Received over \$1 million in grants for both recreation programs and park development; including \$774,920 from the Arizona State Parks Heritage Fund, \$252,000 from the Arizona Tourism and Sports Authority, \$1,000 from Target Corporation; and \$3,400 from the Arizona Commission on the Arts.

The Town and Parks and Recreation Department was recognized by the Arizona Parks and Recreation Association with an award: the state-wide APRA Basketball Bonanza program was acknowledged with the Outstanding Sports Program. The program was developed by Recreation Supervisor Bryan Hughes in 2000 and is a result of a partnership with the APRA, the Phoenix Suns and over 25 communities from around Arizona.

Movies in the Park continued at Fountain Park, with three movies being presented, and sponsorship from numerous local businesses.

Partnered with the Boys and Girls Clubs of Greater Scottsdale – McKee Branch to offer "Fountain Hills Youth Basketball", which included the fifth year of a partnership with the Phoenix Suns Jr. Suns / Jr. Mercury to enhance our Youth Basketball program.

Continued to provide expanded opportunities to utilize park facilities by the local youth sports organizations, which include Little League Baseball, Soccer Club, and Pop Warner Football and Cheerleading.

### **FY 2008-2009 Objectives**

Provide excellent customer service including information referral, quality programs

and ease of registration.

Provide staff support to all events and activities scheduled at all town parks. Work closely with Fountain Hills Unified School District to assist with scheduling and maintenance of facilities utilized by the Parks and Recreation Department.

Identify new recreation and leisure education programs to be offered in 2009-2010.

Provide two new events that could grow to 2,000 or more participants.

### Performance Indicators

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Estimate	FY 2008-09 Proposed
<b>Recreation Programs Offered</b>	425	400	350	375
<b>Youth Sports Organizations/Facility Bookings</b>	1,045	1,040	1,096	1,050
<b>FHUSD Facility Bookings</b>	475	548	495	502
<b>Recreation Program Revenue</b>	\$138,733	\$134,869	\$135,000	\$155,683
<b>Facility Rental Revenue</b>	\$18,460	\$18,350	\$13,000	\$15,000

### Budget Highlights

#### Summary Expenditures - Recreation

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
SALARIES & BENEFITS	\$391,573	\$432,820	\$512,223	\$484,250	\$519,070
CONTRACTUAL SERVICES	\$126,469	\$133,526	\$165,217	\$137,110	\$161,684
REPAIRS & MAINTENANCE	\$2,399	\$2,100	\$1,750	\$600	\$600
SUPPLIES & SERVICES	\$36,790	\$37,915	\$36,660	\$32,300	\$31,075
CAPITAL EXPENDITURES	\$0	\$7,500	\$0	\$0	\$2,960
TOTAL EXPENDITURES	\$557,231	\$613,861	\$715,850	\$654,260	\$715,389

**\$519,070** Staff includes Parks & Recreation Director, Recreation Supervisor, Executive Assistant and program coordinators and aides

**\$161,684** \$11,524 for special interest programs such as art instruction, exercise classes \$9,337 for programs for youth and teens including Mayors Youth Council \$60,780 for community events such as Ballet Under the Stars, Concerts in the Park, St. Patrick's Day Celebration, Eggstravaganza including support from

commercial sponsorships and two new events  
\$31,204 for sports activities such as basketball, softball, tennis, tennis, volleyball  
\$48,830 proportionate share of printing Parks & Recreation Activity Guide  
Office and program supplies, promotional materials, Arizona Parks & Recreation Association (APRA) membership, education/training and conference.  
Monthly fee associated with mobile telephones  
Vehicle depreciation transfer to Vehicle Replacement Fund (VRF)

**\$31,075**

**\$2,960**

**RECREATION**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$4,525	\$2,702	\$0	\$4,000	\$0
Wages and Salaries	\$315,255	\$342,698	\$411,103	\$400,000	\$431,440
Employer FICA Expense	\$12,012	\$12,000	\$12,300	\$14,000	\$15,000
Unemployment Insurance Expense	\$1,235	\$1,000	\$1,900	\$1,500	\$1,800
Employee's Health Insurance	\$24,621	\$34,500	\$39,400	\$30,600	\$27,900
Employee's Life Insurance	\$729	\$900	\$1,000	\$800	\$900
Employee's Dental Insurance	\$2,224	\$3,300	\$2,900	\$2,100	\$2,200
Employee Vision Insurance	\$295	\$500	\$500	\$350	\$300
Worker Compensation Insurance	\$7,032	\$8,420	\$10,220	\$4,700	\$5,930
Employee's Retirement Expense	\$22,705	\$25,600	\$31,300	\$25,000	\$32,100
Disability Insurance	\$941	\$1,200	\$1,600	\$1,200	\$1,500
<b>TOTAL</b>	<b>\$391,573</b>	<b>\$432,820</b>	<b>\$512,223</b>	<b>\$484,250</b>	<b>\$519,070</b>
<b>CONTRACT SERVICES</b>					
Special Programs	\$43,119	\$43,190	\$71,650	\$44,110	\$11,524
Youth and Teens	\$10,204	\$12,461	\$15,575	\$11,000	\$9,337
Community Events & Programs	\$0	\$0	\$0	\$0	\$60,780
Sports Activities	\$45,566	\$42,975	\$42,492	\$42,000	\$31,204
Constituent Communications	\$27,146	\$33,500	\$35,000	\$40,000	\$48,839
McDowell Mountain Preservation	\$434	\$1,400	\$500	\$0	\$0
<b>TOTAL</b>	<b>\$126,469</b>	<b>\$133,526</b>	<b>\$165,217</b>	<b>\$137,110</b>	<b>\$161,684</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance & Repair	\$900	\$1,500	\$1,500	\$600	\$500
Office Equipment Maintenance	\$1,499	\$600	\$250	\$0	\$100
<b>TOTAL</b>	<b>\$2,399</b>	<b>\$2,100</b>	<b>\$1,750</b>	<b>\$600</b>	<b>\$600</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$5,983	\$3,000	\$3,000	\$650	\$2,500
Conferences	\$6,498	\$6,150	\$7,500	\$7,000	\$1,500
Continuing Education	\$726	\$1,800	\$1,000	\$2,000	\$3,450
Dues & Publications	\$1,472	\$1,300	\$1,135	\$750	\$1,275
Electricity Expense	\$0	\$4,125	\$4,125	\$0	\$0
Gas & Oil Expense	\$1,011	\$1,000	\$500	\$500	\$500
Office Supplies	\$8,981	\$7,500	\$7,500	\$7,500	\$8,000
Printing	\$3,110	\$2,000	\$1,500	\$2,000	\$1,500
Communications Expense	\$4,214	\$4,640	\$5,600	\$5,300	\$5,600
Water/Sewer	\$0	\$800	\$800	\$0	\$0
Meeting Expense	\$569	\$500	\$500	\$800	\$1,750
Uniforms	\$2,830	\$3,000	\$3,000	\$4,000	\$3,000
Bank Charges	\$1,396	\$2,100	\$500	\$1,800	\$2,000
<b>TOTAL</b>	<b>\$36,790</b>	<b>\$37,915</b>	<b>\$36,660</b>	<b>\$32,300</b>	<b>\$31,075</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Equipment	\$0	\$7,500	\$0	\$0	\$0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$7,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Transfer to VRF	\$0	\$0	\$0	\$0	\$2,960
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,960</b>
<b>TOTAL EXPENDITURES</b>	<b>\$557,231</b>	<b>\$613,861</b>	<b>\$715,850</b>	<b>\$654,260</b>	<b>\$715,389</b>



**01 - General Fund**

**004 - Fountain Park Location**

**005 - Desert Vista Neighborhood Park Location**

**006 - Four Peaks Park Location**

**007 – Golden Eagle Park**

<b>Total Parks</b>	<b>\$1,191,523</b>
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# **Fountain Park**

## **Mission Statement**

The park staff is dedicated to maintaining over 114 acres of park land throughout the Fountain Hills park system by professionally maintaining and operating each park's facilities and amenities to enhance the beauty, value, and quality of the park's environment; while continuing to provide quality recreation opportunities as well as safe and clean parks.

## **Department/Division Description**

Fountain Park is a 63-acre passive recreation facility that is the signature park of the community and home of the Town's world famous fountain. The Town acquired the park on May 1, 1997, from MCO Properties, Inc. The park was built in 1970 and includes 33 acres of turf, a 30-acre million gallon effluent lake, a pump house station, a dam, 18-hole disc golf course, restroom/control building, two children's playgrounds, approximately 9,480 linear feet of walkways, five ramadas with picnic tables and grills, and two parking lots.

Additional amenities include the beautiful Veterans' Memorial, an amphitheater and the Rotary Centennial Splash Park. Several park improvement projects were completed in 2007 including the installation of a new irrigation system, 2,280 linear feet of new concrete walking path along the west side of the lake and 18 new disc golf tee pads.

## **Performance Standards**

Provide safe and clean facilities daily.

Secure restroom/control buildings and park entry gates daily.

Prepare and line all ball fields for scheduled activities.

Maintain efficient, consistent runtimes of the Fountain.

Maintain athletic facilities at standards acceptable for all scheduled sports activities.

Maintain safe and healthy green turf.

Maintain an accident free work place.

Provide excellent customer service.

Provide safe, clean accessible trails.

## **FY 2007-2008 Accomplishments**

Maintained our high standards of maintenance for all park amenities and facilities.

Completed Fountain Park Capital Improvements that included the new irrigation system, 18 disc golf tee pads, new concrete walking path 2,280 linear feet and landscaping adjacent to the Rotary Splash Park.

Installed turf behind the Fountainside Plaza.

Installed turf in area adjacent to the south side of playgrounds.

Installed several new memorial park benches and trees at several parks.

Continued the St. Patrick's Day annual event with two scheduled times for dyeing the fountain green.

Installed new irrigation & pump-station.

Upgraded disc golf tee pads.

Installed a new replacement Cla-valve to upgrade the Fountain equipment.

Initiated a turf enhancement program to improve turf aesthetics.

Resurfaced all parking lots.

Landscaped the area adjacent to the Rotary Splash Park and installed sod behind the Plaza.

#### **FY 2008-2009 Objectives**

Continue to provide quality support for Special Events in the park.

Continue to reduce the year round migratory bird population at Fountain Lake.

Clean up of pump house building and yard to allow for tours of the facility.

Improve summer and fall turf appearance throughout the park with continued turf enhancement program.

Program irrigation controller to achieve better overnight-run times.

Complete park signage projects throughout the park.

Install new replacement Cla-valve to continue upgrades to fountain equipment.

Continue to successfully mitigate issues with Fountain Lake water quality.

Research memorial benches to replace the current bench style.

### Performance Indicators

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Estimate	FY 2008-09 Proposed
Mowing Frequency	42 weeks	42 weeks	42 weeks	42 weeks
Turf Aeration	2 x annually	2 x annually	2 x annually	4 x annually
Pre Emergence Spraying	2 x annually	2 x annually	2 x annually	2 x annually
Post Emergence Spraying	2 x annually	2 x annually	2 x annually	2 x annually
Park Facility Bookings	108	100	110	120

### Budget Highlights

<b>\$50,500</b>	Staff to oversee maintenance of park facilities
<b>\$27,300</b>	Contract for monitoring algae, oxygen, odor management and water maintenance for Fountain Lake
<b>\$195,567</b>	\$83,998 annual landscape contract for mowing, aeration, tree trimming, scalping (increase of 81% due to improvements to fertilization program to keep turf green) \$32,000 maintenance and repairs of pump, including Cla-valve replacement \$27,225 for fertilization program for new turf \$24,000 for soil prep, seed and herbicide \$12,000 for janitorial and maintenance supplies for public restrooms \$12,000 for seed and liquid fertilizer \$3,500 for replacement of damaged trees
<b>\$135,669</b>	\$129,334 electricity and water (SRP rate increase 4%) \$6,335 miscellaneous tools, professional fees and training, office supplies
<b>\$5,000</b>	New park signage for information

**FOUNTAIN PARK**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$230	\$355	\$1,000	\$200	\$250
Wages and Salaries	\$22,188	\$37,045	\$40,200	\$32,500	\$42,850
Employer FICA Expense	\$325	\$560	\$610	\$600	\$640
Unemployment Insurance Expense	\$111	\$60	\$70	\$100	\$60
Employee's Health Insurance	\$4,202	\$10,610	\$8,720	\$1,690	\$0
Employee's Life Insurance	\$120	\$150	\$130	\$100	\$140
Employee's Dental Insurance	\$369	\$1,060	\$600	\$100	\$0
Employee Vision Insurance	\$57	\$150	\$90	\$50	\$0
Worker Compensation Insurance	\$1,420	\$2,440	\$2,660	\$2,000	\$1,590
Employee's Retirement Expense	\$2,466	\$4,120	\$4,530	\$2,600	\$4,740
Disability Insurance	\$152	\$190	\$210	\$130	\$230
<b>TOTAL</b>	<b>\$31,639</b>	<b>\$56,740</b>	<b>\$58,820</b>	<b>\$40,070</b>	<b>\$50,500</b>
<b>CONTRACT SERVICES:</b>					
Professional Fees	\$5,755	\$2,000	\$28,000	\$7,500	\$27,300
Engineering/Design Fees	0	0	0	0	0
<b>TOTAL</b>	<b>\$5,755</b>	<b>\$2,000</b>	<b>\$28,000</b>	<b>\$7,500</b>	<b>\$27,300</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance/Repair	\$700	\$1,000	\$1,000	\$500	\$1,000
Equipment Rental	\$1,633	\$1,500	\$1,500	\$1,250	\$4,100
Building Repairs/Maintenance	\$20,207	\$12,600	\$23,311	\$23,000	\$12,000
Equipment Repair	\$15,080	\$15,000	\$31,600	\$29,700	\$32,000
Field and Park Maintenance	\$21,527	\$41,500	\$34,500	\$38,000	\$62,469
Mowing/Landscape Maintenance	\$63,006	\$76,661	\$79,267	\$79,267	\$83,998
<b>TOTAL</b>	<b>\$122,154</b>	<b>\$148,261</b>	<b>\$171,178</b>	<b>\$171,717</b>	<b>\$195,567</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$0	\$0	\$1,000	\$0	\$0
Conferences	\$125	\$150	\$250	\$250	\$250
Continuing Education	\$95	\$500	\$500	\$200	\$600
Dues & Publications	\$320	\$400	\$300	\$440	\$195
Licenses & Permits	\$0	\$0	\$0	\$0	\$300
Electricity Expense	\$94,482	\$119,000	\$109,000	\$120,000	\$119,028
Gas & Oil Expense	\$1,719	\$1,900	\$1,000	\$3,000	\$2,000
Office Supplies	\$0	\$0	\$0	\$0	\$100
Tools, Shop Supplies	\$590	\$1,000	\$1,000	\$700	\$1,000
Printing	\$153	\$300	\$300	\$0	\$200
Communications Expense	\$219	\$250	\$900	\$800	\$1,065
Water/Sewer/Trash	\$17,487	\$15,500	\$10,000	\$9,500	\$10,306
Uniforms	\$704	\$1,000	\$1,000	\$900	\$625
<b>TOTAL</b>	<b>\$115,894</b>	<b>\$140,000</b>	<b>\$125,250</b>	<b>\$135,790</b>	<b>\$135,669</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Vehicles	\$0	\$20,500	\$0	\$0	\$0
Capital Outlay - Improvements	\$0	\$1,172,968	\$0	\$0	\$5,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,193,468</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,000</b>
Transfer to VRF	\$0	\$0	\$0	\$0	\$549
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$549</b>
<b>TOTAL EXPENDITURES</b>	<b>\$275,442</b>	<b>\$1,540,469</b>	<b>\$383,248</b>	<b>\$355,077</b>	<b>\$414,585</b>

# **Four Peaks Park**

## **Mission Statement**

The park staff is dedicated to maintaining over 114 acres of park land throughout the Fountain Hills park system to department standards. First by professionally maintaining and operating each park's facilities and amenities to enhance the beauty, value, quality of the park's environment; and continuing to provide quality recreation opportunities, safe and clean parks, and superior park beautification.

## **Department/Division Description**

Four Peaks Park is a 14-acre recreation facility adjacent to Four Peaks Elementary School. The Parks and Recreation Department acquired approximately 9.9 acres of land from the School District in May 2001, bringing the total acreage of the park to 14 acres. The park currently includes the north soccer field with seating, the south athletic multi-purpose field with lights, two softball fields, two lighted tennis courts, two lighted basketball courts, two children's playgrounds, a restroom/control building, one ramada with a grill, and parking for 20 vehicles.

Several renovations were finished in 2007, including the new shade structure to cover the west playground, a new ADA (American with Disabilities Act) compliant swing and new light timer clock for the south athletic field lights. The master plan for Four Peaks Park will be updated during the FY 2008/09 to show any past changes and future upgrades to the park.

## **Performance Standards**

Provide safe and clean facilities daily.

Secure restroom/control buildings and park entry gates daily.

Prepare and line all ball fields for scheduled activities.

Maintain efficient, consistent runtimes of the Fountain.

Maintain athletic facilities at standards acceptable for all scheduled sports activities.

Maintain safe and healthy green turf.

Maintain an accident free work place.

Provide excellent customer service.

## **FY 2007-2008 Accomplishments**

Provided support services and field preparation to Boys and Girls Club and Four Peaks Elementary School personnel and associated sports activities.

Upgraded turf and field conditions at the park.

Maintained high standards of maintenance for all park amenities and facilities.

Installed a surveillance camera system at restroom control building.

Installed lights at rear of restroom control building.

Installed new drinking fountains in front of building.

Installed new shade canopy over west playground equipment.

Resurfaced parking lots.

#### **FY 2008-2009 Objectives**

Meet with neighborhood watch groups to demonstrate low water use techniques.

Reduce potable water cost at the facility through efficient irrigation programming.

Work with Fountain Hills Little League with field usage and maintenance.

Improve field and turf conditions on all fields through better aeration practices.

Complete demolition of concession stand and bus barn facility.

#### **Performance Indicators**

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Estimate	FY 2008-09 Proposed
Mowing Frequency	42 weeks	42 weeks	42 weeks	42 weeks
Turf Aeration	2 x annually	2 x annually	2 x annually	4 x annually
Pre Emergence Spraying	2 x annually	2 x annually	2 x annually	2 x annually
Post Emergence Spraying	2 x annually	2 x annually	2 x annually	2 x annually
Park Facility Bookings	550	525	487	400

#### **Budget Highlights**

**\$52,510** Staff for maintenance of turf and equipment

**\$49,908** \$23,918 for mowing, scalping, mulch and tree trimming (contract)  
\$14,400 for athletic fields lighting, stabilizer, fertilizer, seed  
\$9,340 includes fee for bus barn demolition, repairs to electric, janitorial

**\$40,022** \$34,540 utilities for park, fuel for one (1) vehicle, office supplies, telephone

**\$12,966** Tennis court resurfacing (last done in 2004)

**FOUR PEAKS NEIGHBORHOOD PARK**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$885	\$336	\$250	\$0	\$250
Wages and Salaries	\$7,196	\$35,164	\$37,360	\$37,400	\$39,430
Employer FICA Expense	\$105	\$530	\$560	\$550	\$590
Unemployment Insurance Expense	\$66	\$60	\$70	\$70	\$60
Employee's Health Insurance	\$833	\$10,610	\$5,630	\$6,250	\$5,580
Employee's Life Insurance	\$11	\$150	\$120	\$108	\$120
Employee's Dental Insurance	\$37	\$1,060	\$390	\$395	\$390
Employee Vision Insurance	\$11	\$150	\$60	\$63	\$60
Worker Compensation Insurance	\$467	\$2,320	\$2,490	\$2,000	\$1,460
Employee's Retirement Expense	\$889	\$3,900	\$4,140	\$4,150	\$4,360
Disability Insurance	\$13	\$180	\$190	\$180	\$210
<b>TOTAL</b>	<b>\$10,513</b>	<b>\$54,460</b>	<b>\$51,260</b>	<b>\$51,166</b>	<b>\$52,510</b>
<b>CONTRACT SERVICES:</b>					
Professional Fees	\$0	\$45,000	\$45,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$45,000</b>	<b>\$45,000</b>	<b>\$0</b>	<b>\$0</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance/Repair	\$286	\$700	\$700	\$200	\$500
Equipment Rental	\$219	\$1,000	\$1,800	\$600	\$1,750
Building Repairs/Maintenance	\$13,268	\$7,800	\$7,000	\$7,000	\$9,340
Field Preparation/Maintenance	\$18,878	\$20,000	\$21,700	\$22,000	\$14,400
Mowing/Landscape Maintenance	\$18,802	\$22,000	\$22,748	\$23,000	\$23,918
<b>TOTAL</b>	<b>\$51,453</b>	<b>\$51,500</b>	<b>\$53,948</b>	<b>\$52,800</b>	<b>\$49,908</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$0	\$400	\$200	\$0	\$0
Conferences	\$0	\$225	\$225	\$225	\$225
Continuing Education	\$0	\$200	\$550	\$250	\$550
Dues & Publications	\$0	\$250	\$250	\$180	\$345
Electricity Expense	\$12,526	\$14,000	\$10,000	\$9,600	\$11,040
Gas & Oil Expense	\$1,843	\$1,400	\$1,400	\$2,100	\$1,900
Office Supplies	\$0	\$100	\$100	\$0	\$100
Tools, Shop Supplies	\$1,149	\$700	\$500	\$500	\$500
Printing	\$0	\$100	\$100	\$0	\$100
Communications Expense	\$0	\$220	\$276	\$500	\$1,140
Water/Sewer/Trash	\$23,379	\$18,080	\$15,000	\$15,000	\$23,500
Uniforms	\$99	\$1,000	\$1,000	\$800	\$622
<b>TOTAL</b>	<b>\$38,995</b>	<b>\$36,675</b>	<b>\$29,601</b>	<b>\$29,155</b>	<b>\$40,022</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Vehicles	\$0	\$9,000	\$17,000	\$18,300	\$0
Capital Outlay - Improvements	\$92,657	\$10,000	\$0	\$0	\$12,966
<b>TOTAL</b>	<b>\$92,657</b>	<b>\$19,000</b>	<b>\$17,000</b>	<b>\$18,300</b>	<b>\$12,966</b>
Transfer to VRF	\$0	\$0	\$0	\$0	\$4,729
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,729</b>
<b>TOTAL EXPENDITURES</b>	<b>\$193,619</b>	<b>\$206,635</b>	<b>\$196,809</b>	<b>\$151,421</b>	<b>\$160,135</b>

# **Golden Eagle Park**

## **Mission Statement**

The park staff is dedicated to maintaining over 114 acres of park land throughout the Fountain Hills park system by professionally maintaining and operating each park's facilities and amenities to enhance the beauty, value, and quality of the park's environment; while continuing to provide quality recreation opportunities as well as safe and clean parks

## **Department/Division Description**

Golden Eagle Park is a 25-acre active recreation facility adjacent to Fountain Hills High School. The park includes four multi-purpose lighted ball fields with covered dugouts and seating for 550 spectators, four lighted tennis courts with a shaded waiting area, two lighted basketball courts with bleachers, two lighted sand volleyball courts with a shower tower, a shaded tot lot, a shaded children's playground with a shaded seat wall, a 2,500 square foot restroom/control building, three parking lots with a total of 223 parking spaces, three picnic ramadas with grills, one pedestrian foot bridge, eight chilled drinking fountains, a horseshoe pit, two open turf areas, a large equipment storage yard, and over one mile of sidewalks and concrete pathways. Golden Eagle Park is the first facility to complete all phases of capital improvements.

## **Performance Standards**

Provide safe and clean facilities daily.

Secure restroom/control buildings and park entry gates daily.

Prepare and line all ball fields for scheduled activities.

Maintain efficient, consistent runtimes of the Fountain.

Maintain athletic facilities at standards acceptable for all scheduled sports activities.

Maintain safe and healthy green turf.

Maintain an accident free work place.

Provide excellent customer service.

Provide safe, clean accessible trails.

## **FY 2007–2008 Accomplishments**

Provided support services and field preparation for various Fountain Hills sports organizations such as Little League, the Soccer Club, Pop Warner Football, the Senior Softball program, and the Men's Softball League.

Provided support services and field preparation to High School, Middle School, and Four Peaks Elementary School personnel and associated sports teams.

Upgraded turf and ball-field conditions at the park.

Installed a camera surveillance system at the building and at the Saguaro Ramada. Resurfaced all three parking lots.

Finished FEMA 100 year flood requirements for restroom control building.

Installed a grass infield on field #4 for Little League games this season.

Re-lamped ball-field lighting on field #1.

#### **FY 2008-2009 Objectives**

Continue to reduce vandalism in the parks through cost effective methods and actions.

Continue a high level of support for all sports, special events and recreational activities in the park.

Promote low water use techniques and plants to the community through onsite demonstrations.

Maintain park amenities, courts, ball fields, landscaping, and building with a high level of service.

Cross train field supervisors on restroom and field maintenance.

Complete FEMA 100 year flood compliance requests.

#### **Performance Indicators**

<b>Description</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Estimate</b>	<b>FY 2008-09 Proposed</b>
<b>Mowing Frequency</b>	42 weeks	42 weeks	42 weeks	42 weeks
<b>Turf Aeration</b>	2 x annually	2 x annually	2 x annually	4 x annually
<b>Pre Emergence Spraying</b>	2 x annually	2 x annually	2 x annually	2 x annually
<b>Post Emergence Spraying</b>	2 x annually	2 x annually	2 x annually	2 x annually
<b>Park Facility Bookings</b>	1,936	2,012	1,728	1,800

## Budget Highlights

<b>\$290,020</b>	Wages and salaries includes Park Supervisor, Park Operations Lead and two (2) groundskeepers
<b>\$106,576</b>	\$41,100 for fertilizer, rye seed, mulch, stabilizer, field marking paint and replacement plants; ballfield light repairs \$32,426 mowing, tree trimming, and GEP trailhead maintenance \$25,050 for painting ramadas, poles and block walls; fence repairs, maintenance for restroom and drinking fountains \$6,000 maintenance for two (2) John Deere gators
<b>\$63,259</b>	\$45,260 electric and water utilities for park \$6,000 fuel for three (3) trucks, gators and mule utility vehicle \$4,500 for tools and shop supplies \$2,480 safety equipment and uniforms
<b>\$56,130</b>	\$6,130 Surveillance cameras (2) added to existing cameras for increased monitoring for vandalism and Kubota 3 spool valve and tilt kit for backhoe \$50,000 resurface four tennis courts (last resurfaced in 2004) and replace playground equipment at tot lot

**GOLDEN EAGLE PARK**

	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>	<b>FY 2007-2008</b>	<b>FY 2008-2009</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Est Actual</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$585	\$1,001	\$1,000	\$800	\$500
Wages and Salaries	\$154,059	\$163,899	\$232,350	\$170,000	\$218,440
Employer FICA Expense	\$2,166	\$2,420	\$3,430	\$3,200	\$3,200
Unemployment Insurance Expense	\$271	\$240	\$560	\$400	\$390
Employee's Health Insurance	\$20,383	\$23,720	\$39,110	\$27,000	\$30,400
Employee's Life Insurance	\$560	\$680	\$770	\$600	\$700
Employee's Dental Insurance	\$2,301	\$2,510	\$3,000	\$2,500	\$2,490
Employee Vision Insurance	\$338	\$410	\$470	\$375	\$590
Worker Compensation Insurance	\$9,603	\$10,830	\$14,750	\$5,600	\$8,080
Employee's Retirement Expense	\$17,000	\$18,140	\$25,670	\$18,500	\$24,080
Disability Insurance	\$602	\$820	\$1,170	\$700	\$1,150
<b>TOTAL</b>	<b>\$207,867</b>	<b>\$224,670</b>	<b>\$322,280</b>	<b>\$229,675</b>	<b>\$290,020</b>
<b>CONTRACT SERVICES:</b>					
Contractual Services			\$300,000	\$0	\$0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>300,000</b>	<b>0</b>	<b>0</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance/Repair	\$5,415	\$7,400	\$5,700	\$3,700	\$6,000
Equipment Rental	\$1,252	\$1,500	\$2,000	\$1,400	\$2,000
Building Repairs/Maintenance	\$28,921	\$24,300	\$35,700	\$35,000	\$25,050
Field Preparation/Maintenance	\$49,895	\$41,400	\$44,500	\$40,000	\$41,100
Mowing/Landscape Maintenance	\$22,196	\$28,350	\$29,314	\$29,314	\$32,426
<b>TOTAL</b>	<b>\$107,679</b>	<b>\$102,950</b>	<b>\$117,214</b>	<b>\$109,414</b>	<b>\$106,576</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$0	\$100	\$100	\$0	\$50
Conferences	\$560	\$1,100	\$1,100	\$500	\$1,100
Continuing Education	\$285	\$800	\$800	\$700	\$800
Dues & Publications	\$480	\$400	\$400	\$400	\$880
Licenses & Permits	\$0	\$0	\$0	\$0	\$300
Electricity Expense	\$34,554	\$33,800	\$33,800	\$28,000	\$35,100
Gas & Oil Expense	\$5,350	\$5,200	\$5,600	\$5,600	\$6,000
Office Supplies	\$65	\$100	\$100	\$100	\$100
Tools, Shop Supplies	\$3,210	\$4,700	\$5,800	\$5,300	\$4,500
Printing	\$236	\$100	\$100	\$50	\$100
Communications Expense	\$1,150	\$1,300	\$1,300	\$1,300	\$1,680
Water/Sewer/Trash	\$9,502	\$7,680	\$8,100	\$6,400	\$10,160
Uniforms	\$2,779	\$3,416	\$3,500	\$3,500	\$2,489
<b>TOTAL</b>	<b>\$58,172</b>	<b>\$58,696</b>	<b>\$60,700</b>	<b>\$51,850</b>	<b>\$63,259</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Vehicles	\$0	\$17,700	\$23,600	\$52,678	\$0
Capital Outlay - Furniture & Equipment	\$0	\$0	\$0	\$0	\$6,130
Capital Outlay - Improvements	\$28,025	\$18,000	\$30,870	\$30,870	\$50,000
<b>TOTAL</b>	<b>\$28,025</b>	<b>\$35,700</b>	<b>\$54,470</b>	<b>\$83,548</b>	<b>\$56,130</b>
Transfer to VRF	\$0	\$0	\$0	\$0	\$9,773
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,773</b>
<b>TOTAL EXPENDITURES</b>	<b>\$401,743</b>	<b>\$422,016</b>	<b>\$854,664</b>	<b>\$474,487</b>	<b>\$525,758</b>

# **Desert Vista Park**

## **Mission Statement**

The park staff is dedicated to maintaining over 114 acres of park land throughout the Fountain Hills park system by professionally maintaining and operating each park's facilities and amenities to enhance the beauty, value, and quality of the park's environment; while continuing to provide quality recreation opportunities as well as safe and clean parks

## **Department/Division Description**

Desert Vista Park is an all turf 12-acre park located between Desert Vista and Tower Drives, south of Tioga Drive. The Town acquired this site on May 21, 1998, from MCO Properties, Inc. The Town has fenced 3.5 acres that is used as an Off-Leash Recreational Facility and uses the remainder of the park for soccer and open field play. In January 2007 the Skate Park was opened and in the fall of 2007 the lights were installed in the dog park with contributions from the Town and ADOG. The lights extend the hours that users are able to utilize the park, particularly during the summer months when it cools off in the evening.

The second major phase of improvements for the Off Leash Facility and 9 acres of open turf began in the second half of FY 07/08. This includes a restroom control building, playgrounds, ramadas, sidewalks, landscaping, some parking and infrastructure for soccer field lights. These capital improvements will receive significant funding from the Heritage Fund Grant and Arizona Sports and Tourism Authority Grant awarded to the Parks and Recreation Department in 2007.

## **Performance Standards**

Provide safe and clean facilities daily.

Secure restroom/control buildings and park entry gates daily.

Prepare and line all ball fields for scheduled activities.

Maintain efficient, consistent runtimes of the Fountain.

Maintain athletic facilities at standards acceptable for all scheduled sports activities.

Maintain safe and healthy green turf.

Maintain an accident free work place.

## **FY 2007-2008 Accomplishments**

Installed lights in the Off Leash Facility.

Prepared and lined the turf for F.H. Soccer Club games and practices.

Maintained safe and clean operations of the Skate Park.

Upgraded turf and field conditions.

Continued to work with ADOG for safe and clean operations of the Dog Park.

Posted additional park rule signage throughout the dog park and at the skate park

### **FY 2008-2009 Objectives**

Work with ADOG to continue safe and clean operations of the Off-Leash Recreational Facility.

Complete capital improvements budgeted in FY07/08 and FY08/09.

Provide F/T Parks Division staff to maintain the amenities and facilities at a higher standard.

### **Performance Indicators**

<b>Description</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Estimate</b>	<b>FY 2008-09 Proposed</b>
<b>Annual Mowing Frequency</b>	42 times	42 times	42 times	42 times
<b>Turf Aeration</b>	2 per year	2 per year	2 per year	4 per year
<b>Pre Emergence Spraying</b>	2 per year	2 per year	2 per year	2 per year
<b>Post Emergence Spraying</b>	2 per year	2 per year	2 per year	2 per year
<b>Park Facility Bookings</b>	57	30	23	25

### **Budget Highlights**

<b>\$24,940</b>	Groundskeeper (formerly approved Park Ranger position) hired after park improvements are completed (estimated November)
<b>\$47,836</b>	\$9,348 fertilizer, herbicides, repairs to skate park, and field preparation \$33,546 mowing contract, scalping and overseeding, aeration
<b>\$16,352</b>	\$14,022 for water and electricity utilities for park \$2,330 safety equipment, office supplies, professional dues and training
<b>\$1,917</b>	Transfer to Vehicle Replacement Fund

**DESERT VISTA PARK**

	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>	<b>FY 2007-2008</b>	<b>FY 2008-2009</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Est Actual</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Wages and Salaries	\$0	\$0	\$0	\$0	\$18,700
Employer FICA Expense	\$0	\$0	\$0	\$0	\$280
Unemployment Insurance Expense	\$0	\$0	\$0	\$0	\$60
Employee's Health Insurance	\$0	\$0	\$0	\$0	\$2,790
Employee's Life Insurance	\$0	\$0	\$0	\$0	\$30
Employee's Dental Insurance	\$0	\$0	\$0	\$0	\$200
Employee Vision Insurance	\$0	\$0	\$0	\$0	\$30
Worker Compensation Insurance	\$0	\$0	\$0	\$0	\$690
Employee's Retirement Expense	\$0	\$0	\$0	\$0	\$2,060
Disability Insurance	\$0	\$0	\$0	\$0	\$100
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$24,940</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Repair & Maintenance	\$0	\$0	\$0	\$0	\$600
Equipment Rental	\$102	\$500	\$2,000	\$2,000	\$1,624
Building Repair & Maintenance	\$0	\$0	\$0	\$0	\$2,100
Equipment Repair & Maintenance	\$0	\$0	\$0	\$0	\$600
Field Preparation/Maintenance	\$7,663	\$9,400	\$8,950	\$8,950	\$9,348
Mowing/Landscape Maintenance	\$26,660	\$31,185	\$32,245	\$32,000	\$33,564
<b>TOTAL</b>	<b>\$34,425</b>	<b>\$41,085</b>	<b>\$43,195</b>	<b>\$42,950</b>	<b>\$47,836</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising	\$0	\$200	\$600	\$0	\$100
Conferences	\$0	\$0	\$0	\$0	\$75
Training/Continuing Education	\$0	\$0	\$0	\$0	\$325
Dues & Memberships	\$0	\$0	\$0	\$300	\$220
Licenses & Permits	\$0	\$0	\$0	\$0	\$300
Electricity	\$2,777	\$5,300	\$7,500	\$3,850	\$7,488
Office Supplies	\$0	\$0	\$0	\$0	\$200
Tools/Shop Supplies	\$80	\$200	\$200	\$100	\$200
Printing	\$0	\$0	\$0	\$350	\$300
Communications Expense	\$0	\$0	\$0	\$0	\$210
Water/Sewer/Trash	\$788	\$740	\$4,150	\$1,200	\$6,534
Uniforms	\$0	\$0	\$0	\$0	\$400
<b>TOTAL</b>	<b>\$3,645</b>	<b>\$6,440</b>	<b>\$12,450</b>	<b>\$5,800</b>	<b>\$16,352</b>
Transfers	\$0	\$520,000	\$0	\$0	\$0
Transfer to VRF	\$0	\$0	\$0	\$0	\$1,917
	<b>\$0</b>	<b>\$520,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,917</b>
<b>TOTAL EXPENDITURES</b>	<b>\$38,069</b>	<b>\$567,525</b>	<b>\$55,645</b>	<b>\$48,750</b>	<b>\$91,045</b>



**01 - General Fund**  
**095 - Community Center Department**

**Total Budgeted Expenditures \$935,083**

### **Mission Statement**

Like the trademark fountain that stands at the heart of the community, so, too does the Community Center. Its mission is to enhance the quality of life for Fountain Hills' citizens by providing a gathering place for civic, non-profit and community events, promoting the arts, and developing a conference and convention trade. The Community Center shall be "All that is Fountain Hills".

### **Department/Division Description**

The Fountain Hills Community Center provides meeting and event space for recreational, civic, educational, commercial, and private events that require seminar, banquet, and classroom or exhibit space. The facilities provide much needed space for public meetings and opportunities for group and individual rentals at affordable prices.

Both Senior Services and SeniorNet are also housed in the Community Center building, as well as office space for each entity along with numerous activities such as specialty classes; additionally, clubs and support groups meet here each week.

The Center staff works attentively with clients and Town staff to ensure that all rooms and public areas are clean, properly set, and prepared for their use. License agreements ensure that users comply with the policies and procedures as adopted by the Town.

### **Performance Standards**

The Center shall meet with clients, obtain all necessary event information, discuss rental fees and obtain a signed license agreement within ten working days.

Continue a safe working environment for staff and those who use the facility.

Clients shall be furnished a detailed scale drawing of their event showing the setup one week prior to the event date.

All events shall be properly supervised with Center personnel readily available to assist with clients' needs.

Maintain a clean and organized facility that offers up to date audio visual, sound and other amenities to those who rent the Community Center.

Maintain ADA compliance.

Outstanding billings for events are to be processed in a prompt manner.

Maintain current Arizona State Liquor License for the Center along with continued education and certification for all staff who are involved with events serving alcohol.

Continue to coordinate activities for the Senior Activity Center, Recreation Division, and Town related functions and activities.

### **FY 2007-2008 Accomplishments**

Successfully transitioned the Senior Services division under the Community Center Department. Maintained a close working relationship with the Senior staff and Commission helping to organize the activity schedule and assure that Town procedures

were followed.

Provided a new socialization area for the Seniors.

Replaced carpet throughout all hallways, office space, lobby and classrooms to keep up the appearance of the building.

Upgraded WiFi access

Installed a hearing assist loop to remain ADA compliant.

Installed several new pieces of art work both inside and outside of the Community Center in accordance with the Public Art Master Plan.

### **FY 2008-2009 Objectives**

Complete carpet replacement in the ballrooms.

Continue to promote the Center as a wedding and meeting destination through a marketing campaign that includes exhibits, trade shows, advertising in key publications and networking events.

Work on a long range plan to expand the Senior Center.

Work with local organizations to finish the Event Circle in order to make it a usable space for events; research grants and other funding sources.

Continue joint meetings with both the Community Center Advisory Commission and Senior Services Advisory Commission in order to move forward in a positive manner and meet the needs of both divisions.

Finish the comprehensive report on Community Center operations. Restructure the Community Center fee schedule and policies in accordance with the findings of this report.

### **Performance Indicators**

Description	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09
Hours of Use	11,201	11,169	11,023	11,253
Attendance	101,706	99,714	95,046	97,897
Number of Bookings	3,862	4,544	4,252	4,382
Revenues	\$197,779	\$199,101	\$192,000	\$198,600
Cost Avoidance	\$218,330	\$229,959	\$234,678	\$241,718

### Summary Expenditures - Community Center

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
<b>SALARIES &amp; BENEFITS</b>	\$327,481	\$391,930	\$356,287	\$342,344	\$363,704
<b>CONTRACTUAL SERVICES</b>	\$4,779	\$4,600	\$1,990	\$1,990	\$2,369
<b>REPAIRS &amp; MAINTENANCE</b>	\$14,960	\$18,320	\$18,470	\$16,675	\$23,185
<b>SUPPLIES &amp; SERVICES</b>	\$94,531	\$113,260	\$99,040	\$93,098	\$106,185
<b>CAPITAL EXPENDITURES</b>	\$0	\$0	\$5,000	\$0	\$439,640
<b>TOTAL EXPENDITURES</b>	\$441,751	\$528,110	\$480,787	\$454,107	\$935,083

### Budget Highlights

<b>\$363,704</b>	Salaries and benefits for Director, four (4) operations staff and administrative staff (1.5)
<b>\$2,369</b>	Community Center proportionate share of printing Parks & Recreation Activity guide
<b>\$23,185</b>	Maintenance and janitorial supplies for maintaining the building
<b>\$106,185</b>	\$64,040 for electric and water utilities \$15,700 for marketing and promotion of facility \$12,200 for bar supplies for weddings and other events \$14,245 for professional memberships, training and miscellaneous office supplies
<b>\$387,000</b>	\$387,000 transfer to Municipal Property Corporation (MPC) debt service for annual lease payment
<b>\$52,640</b>	\$40,000 for balance of new carpet to replace worn carpet in ballrooms \$12,640 replace 100 padded chairs for events

**COMMUNITY CENTER**

	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>	<b>FY 2007-2008</b>	<b>FY 2008-2009</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Est Actual</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS</b>					
Overtime	\$745	\$1,590	\$0	\$500	\$1,500
Wages and Salaries	\$260,927	\$307,548	\$282,155	\$275,000	\$292,892
Employer FICA Expense	\$8,183	\$10,980	\$11,050	\$11,050	\$11,100
Unemployment Insurance Expense	\$698	\$744	\$840	\$604	\$756
Employee's Health Insurance	\$25,842	\$32,105	\$31,233	\$26,805	\$27,481
Employee's Life Insurance	\$662	\$823	\$523	\$530	\$564
Employee's Dental Insurance	\$2,576	\$3,007	\$2,291	\$2,320	\$2,312
Employee Vision Insurance	\$318	\$394	\$361	\$335	\$416
Worker Compensation Insurance	\$5,946	\$11,142	\$8,048	\$3,500	\$5,357
Employee's Retirement Expense	\$20,611	\$22,579	\$18,769	\$20,800	\$20,350
Disability Insurance	\$973	\$1,018	\$1,017	\$900	\$975
<b>TOTAL</b>	<b>327,481</b>	<b>391,930</b>	<b>356,287</b>	<b>342,344</b>	<b>363,704</b>
<b>CONTRACT SERVICES</b>					
Bartending Services	\$4,519	\$3,900	\$0	\$0	\$0
Professional Fees	\$260	\$700	\$1,990	\$1,990	\$400
Constituent Communications	\$0	\$0	\$0	\$0	\$1,969
<b>TOTAL</b>	<b>\$4,779</b>	<b>\$4,600</b>	<b>\$1,990</b>	<b>\$1,990</b>	<b>\$2,369</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Building Repairs & Maintenance	\$13,590	\$17,000	\$17,150	\$15,250	\$21,865
Office Equipment Repairs & Maintenance	\$1,370	\$1,320	\$1,320	\$1,425	\$1,320
<b>TOTAL</b>	<b>\$14,960</b>	<b>\$18,320</b>	<b>\$18,470</b>	<b>\$16,675</b>	<b>\$23,185</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$14,004	\$19,350	\$17,325	\$17,325	\$15,700
Conferences	\$2,028	\$3,100	\$1,200	\$0	\$900
Continuing Education	\$199	\$825	\$700	\$1,750	\$1,350
Dues & Publications	\$912	\$545	\$175	\$450	\$200
License & Permits	\$0	\$0	\$0	\$0	\$550
Electricity Expense	\$40,962	\$47,000	\$43,300	\$46,073	\$50,040
Office Supplies	\$7,162	\$7,150	\$4,800	\$4,500	\$3,300
Bar Supplies	\$12,198	\$14,000	\$14,000	\$7,500	\$12,200
Printing	\$524	\$1,500	\$1,500	\$500	\$1,200
Communications Expense	\$2,750	\$2,900	\$3,300	\$3,300	\$3,200
Water/Sewer/Trash	\$12,177	\$13,700	\$9,550	\$10,600	\$14,000
Meeting Expense	\$0	\$150	\$150	\$100	\$150
Uniforms	\$210	\$900	\$900	\$900	\$895
Bank Charges	\$1,406	\$2,140	\$2,140	\$100	\$2,500
<b>TOTAL</b>	<b>\$94,531</b>	<b>\$113,260</b>	<b>\$99,040</b>	<b>\$93,098</b>	<b>\$106,185</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Equipment	\$0	\$0	\$5,000	\$0	\$12,640
Capital Outlay - Improvements					\$40,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$52,640</b>
Transfer to Debt Service	\$387,000	\$387,000	\$387,000	\$387,000	\$387,000
<b>TOTAL</b>	<b>\$387,000</b>	<b>\$387,000</b>	<b>\$387,000</b>	<b>\$387,000</b>	<b>\$387,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$828,751</b>	<b>\$915,110</b>	<b>\$867,787</b>	<b>\$841,107</b>	<b>\$935,083</b>



**01 - General Fund**

**096 - Senior Services**

**Total Budgeted Expenditures**

**\$209,860**

### **Mission Statement**

To help community seniors maintain their independence and improve the quality of their lives by providing a comprehensive and coordinated community-based system of services and opportunities. To collaborate with other agencies and organizations who provide and/or support programs and social services for seniors.

### **Department/Division Description**

Senior Services Division reports to the Director of the Community Center and has the following major programs: Home Delivered Meals, fitness and educational programs, community activities, day and overnight trips, socialization activities and social services including support groups and other scheduled social services.

### **Performance Standards**

The Senior Activity Center will assist customers with program information and registration.

Continue a clean and safe working environment for staff and those who come into our center.

Provide coordination of the Home Delivered Meals program and Medical Equipment Loan program.

Provide assistance to our program and support group coordinators.

### **FY 2007–2008 Accomplishments**

Senior Services used all dedicated space and continues to review/monitor program space.

Added new programs: demo for Pegs & Jokers, Hand & Foot cards, Quilting classes, Mah Jongg, Spanish 1, Men's Discussion group, and Wii games.

Streamlined the Home Delivered Meals route sheets, tracking system and payment processing systems.

Held two Senior Activity EXPO's with attendance of more than 300 for each event

Held one Health Fair with attendance of approximately 300

Worked to build positive relationship with members and Senior Advisory Commission.

Revised procedure for Medical Equipment loan program.

Organized office space to provide functional work stations for staff.

Implemented a new identification card for members to use when participating in programs.

### **FY 2008-2009 Objectives**

Increase membership by 5% to 1094

Obtain support funding for new van

Develop stronger support groups and seek out qualified coordinators

Provide interesting and affordable trips for seniors

Help seniors maintain independence and adequate nutrition through the Home Delivered Meals Program

Help new residents and winter visitors establish a network of friends by providing opportunities for socialization

Help seniors maintain and/or improve their health by offering exercise and preventative fitness classes, information on nutrition, hearing and blood pressure screenings, and providing flu shots for the community

Sponsor Annual Health Fair and annual Senior Activities EXPO.

#### **Performance Indicators**

<b>Description</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Estimate</b>	<b>FY 2008-09 Proposed</b>
<b>Membership</b>	932	998	1042	1094
<b>Attendance</b>	24,600	22,279	23,000	24,150
<b>Meals Delivered</b>	N/A	N/A	7,049	7,100
<b>Senior EXPO attendance</b>	N/A	N/A	370	315
<b>Health Fair attendance</b>	N/A	N/A	300	315

## Budget Highlights

### Summary Expenditures - Senior Services

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
SALARIES & BENEFITS	\$74,563	\$85,506	\$97,130	\$91,730	\$125,000
CONTRACTUAL SERVICES	\$50,685	\$105,695	\$118,173	\$63,000	\$66,965
REPAIRS & MAINTENANCE	\$0	\$1,000	\$1,000	\$350	\$250
SUPPLIES & SERVICES	\$7,071	\$9,670	\$7,545	\$10,875	\$12,620
CAPITAL EXPENDITURES	\$0	\$2,000	\$0	\$1,000	\$5,025
<b>TOTAL EXPENDITURES</b>	<b>\$132,319</b>	<b>\$203,871</b>	<b>\$223,848</b>	<b>\$166,955</b>	<b>\$209,860</b>

<b>\$125,000</b>	Salaries and benefits for Senior Services Supervisor, Home Delivered Meals Coordinator and support staff
<b>\$66,965</b>	\$43,927 for the Home Delivered Meals program \$9,337 planned for Senior Programs \$5,857 planned for Senior Trips \$3,961 for community events and programs
<b>\$12,620</b>	\$3,883 proportionate share of printing Parks & Recreation activity guide office supplies, fuel for van, professional memberships and training
<b>\$5,025</b>	(Transfer to Internal Service Fund for vehicle replacement)

**SENIOR SERVICES**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime			0	400	0
Wages and Salaries	\$68,495	\$78,666	\$76,470	\$76,470	\$112,160
Employer FICA Expense	\$5,240	\$6,090	\$5,900	\$5,900	\$5,790
Unemployment Insurance Expense	\$514	\$350	\$440	\$440	\$360
Employee's Health Insurance	\$0	\$0	\$8,720	\$3,500	\$0
Employee's Life Insurance	\$0	\$0	\$130	\$130	\$130
Employee's Dental Insurance	\$0	\$0	\$600	\$600	\$920
Employee Vision Insurance	\$0	\$0	\$70	\$50	\$60
Worker Compensation Insurance	\$313	\$400	\$390	\$390	\$320
Employee's Retirement Expense	\$0	\$0	\$4,220	\$3,700	\$5,020
Disability Insurance	\$0	\$0	\$190	\$150	\$240
<b>TOTAL</b>	<b>\$74,563</b>	<b>\$85,506</b>	<b>\$97,130</b>	<b>\$91,730</b>	<b>\$125,000</b>

**CONTRACT SERVICES:**

Professional Fees	\$84	\$0	\$0	\$0	\$0
Community Events & Programs	\$0	\$0	\$0	\$0	\$3,961
Constituent Communications	\$0	\$0	\$0	\$0	\$3,883
Senior Services	\$50,601	\$105,695	\$118,173	\$63,000	\$5,764
Home Delivered Meals	\$0	\$0	\$0	\$0	\$43,927
Senior Trips	\$0	\$0	\$0	\$0	\$5,857
Senior Programs	\$0	\$0	\$0	\$0	\$3,573
<b>TOTAL</b>	<b>\$50,685</b>	<b>\$105,695</b>	<b>\$118,173</b>	<b>\$63,000</b>	<b>\$66,965</b>

**REPAIRS & MAINTENANCE:**

Vehicle Repair & Maintenance	\$0	\$0	\$0	\$350	\$250
Equipment Repair	\$0	\$1,000	\$1,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$350</b>	<b>\$250</b>

**SUPPLIES & SERVICES:**

Advertising/Signage	\$1,733	\$1,000	\$700	\$800	\$500
Conferences	\$0	\$850	\$1,000	\$0	\$150
Continuing Education	\$0	\$550	\$200	\$0	\$1,200
Dues & Publications	\$174	\$250	\$175	\$0	\$150
Gas & Oil Expense	\$0	\$0	\$0	\$1,900	\$1,920
Office Supplies	\$4,584	\$5,300	\$4,000	\$6,425	\$5,590
Printing	\$467	\$1,220	\$1,220	\$0	\$1,400
Communications Expense	\$0	\$0	\$0	\$1,750	\$960
Meeting Expense	\$113	\$500	\$250	\$0	\$250
Bank Charges	\$0	\$0	\$0	\$0	\$500
<b>TOTAL</b>	<b>\$7,071</b>	<b>\$9,670</b>	<b>\$7,545</b>	<b>\$10,875</b>	<b>\$12,620</b>

**CAPITAL EXPENDITURES**

Capital Outlay - Vehicles	0	2,000	0	1,000	0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$0</b>
Transfer to VRF	\$0	\$0	\$0	\$0	\$5,025
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,025</b>
<b>TOTAL EXPENDITURES</b>	<b>\$132,319</b>	<b>\$203,871</b>	<b>\$223,848</b>	<b>\$166,955</b>	<b>\$209,860</b>



## **01 - General Fund**

### **090 - Law Enforcement Department**

**Total Budgeted Expenditure    \$2,839,077**

### **Mission Statement**

The Maricopa County Sheriff's Office, in partnership with our citizens and contract cities, will enforce state laws, deter criminal activity, protect life and property, maintain order, and operate a safe, constitutional jail system. Through innovative leadership and dedication to providing quality services, the Sheriff's Office will maximize the use of its resources to provide the highest quality service, which will aid in improving the quality of life for the citizens of Fountain Hills. The Office is also dedicated to providing a caring and supportive environment for our employees because they are the backbone of the system and have a need for continued growth and development through education and training. Each employee will have opportunities for career development, professional growth, and a challenging work environment.

Employee creativity and innovations are encouraged for improving the effectiveness of the Office. Employees will be provided the same concern, respect, and caring attitude within the Office, that they are expected to share when contacting the citizens of Fountain Hills.

### **Department/Division Description**

Law enforcement services are provided to our residents through contract services from the Maricopa County Sheriff's Office (MCSO). The Sheriff's Office enforces State and local laws as well as addressing "quality of life" issues, such as crime prevention, traffic safety, drug enforcement, sponsoring youth activities and special events, addressing barking dogs, and promoting community involvement.

### **Performance Standards**

All Sheriff's Office members will support the principles of community based policing

The public will be treated with courtesy, professionalism and respect by all members of the Sheriff's Office

Members of the Sheriff's Office will not engage in racial profiling

All sworn personnel will meet, exceed, and stay current with State training standards (set by AZ-POST) as a means of reducing liability

### **FY 2007-2008 Accomplishments**

	<b><u>2005 Actual</u></b>	<b><u>2006 Actual</u></b>	<b><u>2007 Actual</u></b>
Crimes Part I*	605	554	493
Crimes Part II**	549	638	585
Traffic accidents	331	364	296
Driving under the influence (DUI)	32	81	86

\*Part I Crimes – Homicide, Sex Assault, Robbery, Aggravated Assault, Residential/Business Burglaries, Auto Burglaries, Auto Theft, Arson.

**\*\*Part II Crimes – All other crimes, except Part I crimes and traffic violations.**

Continued youth services activity in conjunction with the Boys and Girls Club of Fountain Hills with the award of another grant for Friday Night Live.

Increased traffic enforcement, education, and awareness with a high visibility motorcycle deputy added to the district.

Decreased the number of Part I Crimes by 11% through effective patrolling and investigative techniques and implementation of the VENT (Vandalism Elimination Now and Tomorrow) program.

Promoted crime prevention through a variety of community programs including public service articles on crime resistance techniques, vacation watches and block watch program

Continued to sponsor and present a variety of youth services activities including Teen Court, Party in the Park and Midnight Madness

### **FY 2008-2009 Objectives**

Continue to decrease the number of juvenile crimes by increasing the number of juveniles contacted and identified for trespassing, criminal damage, and curfew violations.

Increase participation of the community in MCSO sponsored Block Watch Programs by 25%.

Implementation of the Crime-Free Multi-Housing Program by providing training, awareness, and participation between MCSO and property owners residing within the community to help reduce crime in those areas.

Continue to promote effective communication between the Town and Sheriff's Office in addressing issues that need a cooperative answer.

Increase traffic enforcement, education and awareness with higher visibility during peak traffic times to reduce traffic accidents and speeding complaints.

Promote public visibility, accessibility, and community relations through clearly marked cars and involvement of uniformed personnel at Town functions.

Increase patrols in Town parks with the assistance of volunteer Posse.

## Budget Highlights

### Summary Expenditures - Law Enforcement

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
SALARIES & BENEFITS	\$0	\$0	\$0	\$0	\$0
CONTRACTUAL SERVICES	\$1,907,015	\$2,219,421	\$2,790,900	\$2,790,900	\$2,839,077
REPAIRS & MAINTENANCE	\$0	\$0	\$0	\$0	\$0
SUPPLIES & SERVICES	\$0	\$0	\$0	\$0	\$0
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$1,907,015</b>	<b>\$2,219,421</b>	<b>\$2,790,900</b>	<b>\$2,790,900</b>	<b>\$2,839,077</b>

**\$68,000** Agreement with Maricopa County for prisoners transported to the jail through the Fountain Hills Municipal Court. The Town is charged a per diem (daily) fee with the annual cost estimated to be \$68,000. The increase is due to new legislation that may require more jail time for Driving Under the Influence (DUI) related offenses.

**\$28,200** Fees paid to Maricopa County Animal Care and Control for animals that are picked up or brought to the shelter from Fountain Hills residents.

**\$2,742,877** Annual cost of the contract with the Maricopa County Sheriff's Office (MCSO) for law enforcement services; the contract reflects an increase of 1.4% over FY08

**01 - General Fund**  
**092 - Fire Department**

**Total Budgeted Expenditures \$3,240,908**

### **Mission Statement**

The mission of the Fire Department is to preserve life and property through fire prevention, education, suppression and emergency medical services, while maintaining the highest level of training, professionalism and dedication to customer service.

### **Department/Division Description**

Fire fighting and emergency medical services are provided to the residents through a unique combination of Town-owned equipment and facilities manned by contract personnel from the Rural Metro Corporation.

The Fire Department is responsible for prevention and suppression of structural and wild land fires within the Town limits. The Fire Department also provides inspections, emergency medical services, emergency transport, hazardous material handling, and takes the lead role in emergency response to natural disasters. In conjunction with its primary role, the Fire Department provides a wide range of auxiliary community services such as public education and a youth-oriented explorer post.

### **Performance Standards**

Response time of 5 to 8 minutes or less (per contract response areas) to the scene of fire and medical calls at least 90% of the time.

Provide a minimum of 240 hours of training to each individual assigned to Fountain Hills per year.

Inspect and test all fire hydrants in Fountain Hills on an annual basis.

Inspect 100% of Target Hazards (40 Commercial and Industrial) Occupancies.

Inspect 95% of Safety Surveys (210 Commercial and Assembly) Occupancies.

### **FY 2007-2008 Accomplishments**

Submitted Prop 202 Grant for AED...Received \$5,000

Submitted FEMA Firefighters Grant for radios....Received \$46,802

Purchased new Fire Pumper Truck....Delivery is expected in May of 2008.

Completed Insurance Service Organization (ISO) grading for Fountain Hills

Upgraded communication capabilities on all Self Contained Breathing Face Masks—\$4,000 project funded by the FH Firefighters Foundation

Put the Fire Marshal's office record management system on line

The Crisis Activated Response Effort (CARE) Team was activated and is operational

Participated in FEMA TOP-OFF 4 Emergency Operations Drill

Participated in CCWC tabletop emergency operations plan

Added a second transport ambulance to the system at no cost

Completed Peoria FD Battalion Chief Academy for 6 Captains assigned to Fountain Hills

### **FY 2008-2009 Objectives**

Design and start construction on the Station #2 relocation project

Submit for Federal Firefighters Grant for 800 megahertz radios for interoperability with the automatic aid system.

Submit State Grant application for new extrication equipment.

Remodel the men's restroom/shower facility in Station #1

Develop policy and training for mountain (trail) rescue program

### **Performance Standards**

<b>Description</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Actual</b>	<b>FY 2007-08 Estimate</b>	<b>FY 2008-09 Proposed</b>
<b>Emergency response time</b>	3min 37 sec	3min 49 sec	3min 54sec	4 min
<b>EMS response time</b>	3min 33sec	3min 44sec	3min 54 sec	4min
<b>Percentage of calls EMS</b>	54%	56%	61%	65%
<b>Emergency calls</b>	1553	1634	1666	1750
<b>Non-emergency service cal</b>	1191	1223	1363	1200
<b>Inspections/safety survey</b>	1858	2532	2100	1154

### **Budget Highlights**

#### **Summary Expenditures - Fire**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>SALARIES &amp; BENEFITS</b>	\$0	\$0	\$0	\$0	\$0
<b>CONTRACTUAL SERVICES</b>	\$2,607,692	\$2,754,287	\$2,974,126	\$2,889,126	\$3,033,332
<b>REPAIRS &amp; MAINTENANCE</b>	\$58,622	\$38,000	\$36,500	\$36,500	\$47,700
<b>SUPPLIES &amp; SERVICES</b>	\$46,074	\$48,190	\$35,200	\$43,320	\$43,600
<b>CAPITAL EXPENDITURES</b>	<u>\$0</u>	<u>\$6,000</u>	<u>\$13,500</u>	<u>\$13,500</u>	<u>\$116,276</u>
<b>TOTAL EXPENDITURES</b>	\$2,712,388	\$2,846,477	\$3,059,326	\$2,982,446	\$3,240,908

**\$3,033,332**

Annual contract with Rural Metro Corporation (5% increase over last fiscal year)

**\$47,700**

Maintenance for two fire engines, trucks and HeartSmart monitors

**\$43,600**

\$29,800 fuel for firefighting vehicles

\$10,000 firefighting equipment (hoses, saws, ropes, etc.)

\$3,800 professional dues and memberships, office supplies and printing

**\$112,276**

Annual depreciation cost for firefighting vehicles transferred to Vehicle Replacement Fund

**\$4,000**

Mobile radios

**FIRE DEPARTMENT**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>CONTRACT SERVICES</b>					
Professional Fees	\$0	\$2,500	\$85,000	\$5,000	\$0
Intergovernmental Agreements	\$5,000	\$5,000	\$5,000	\$0	\$5,000
Rural Metro Contract	\$2,602,692	\$2,746,787	\$2,884,126	\$2,884,126	\$3,028,332
<b>TOTAL</b>	<b>\$2,607,692</b>	<b>\$2,754,287</b>	<b>\$2,974,126</b>	<b>\$2,889,126</b>	<b>\$3,033,332</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Building Repairs/Maintenance	\$0	\$0	\$0	\$0	\$0
Vehicle Repairs & Maintenance	\$58,622	\$38,000	\$36,500	\$36,500	\$36,500
Equipment Repair & Maintenance	\$0	\$0	\$0	\$0	\$11,200
<b>TOTAL</b>	<b>\$58,622</b>	<b>\$38,000</b>	<b>\$36,500</b>	<b>\$36,500</b>	<b>\$47,700</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Conferences	\$605	\$500	\$500	\$300	\$500
Dues & Publications	\$941	\$1,135	\$1,200	\$2,000	\$1,300
Gas & Oil Expense	\$28,956	\$26,255	\$21,000	\$22,700	\$29,800
Office Supplies	\$860	\$1,500	\$4,500	\$8,000	\$1,500
Fire Fighting Equipment	\$14,589	\$18,300	\$7,500	\$10,000	\$10,000
Printing	\$123	\$500	\$500	\$320	\$500
<b>TOTAL</b>	<b>\$46,074</b>	<b>\$48,190</b>	<b>\$35,200</b>	<b>\$43,320</b>	<b>\$43,600</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Communication Equipment	0	\$6,000	\$13,500	\$13,500	4,000
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$6,000</b>	<b>\$13,500</b>	<b>\$13,500</b>	<b>\$4,000</b>
Transfer to VRF	\$0	\$0	\$0	\$0	\$112,276
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$112,276</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,712,388</b>	<b>\$2,846,477</b>	<b>\$3,059,326</b>	<b>\$2,982,446</b>	<b>\$3,240,908</b>

# **Capital Improvement Program**

**Policy and Procedure**

**5 Year Schedule**

**Funding Sources**

## **Capital Improvement Program (CIP) Policy and Procedures**

### **Objective**

To provide a policy and procedures for the development, approval, and implementation of the Town of Fountain Hills' five (5) year and twenty (20) year Capital Improvement Programs (CIP).

### **Scope**

This policy applies to all projects undertaken by the Town of Fountain Hills that meet the definition of a capital improvement project detailed in the definitions section.

### **Policy**

The purpose of the Capital Improvement Program is to provide an authoritative decision-making process for the evaluation, selection, and multi-year scheduling of public physical improvements based on a projection of available fiscal resources and the community's priorities.

The objectives of the program are to:

- a) ensure the timely repair, replacement and expansion of the Town's infrastructure;
- b) serve as a link in the Town's planning between the Town's strategic plan and all subsidiary plans with a 10-20 year horizon and the annual budget process with a one-year horizon;
- c) maintain control over the Town's long-term cash flow in relation to the Town's financial capacity; and
- d) ensure efficient, effective and coordinated capital improvement.

### **Definitions**

The following words when used in connection with this policy shall have the following meanings:

**CAPITAL IMPROVEMENT PROGRAM:** A multi-year planning document that is the product of a systematic evaluation of capital projects. This plan serves as a guide for the efficient and effective construction and maintenance of public facilities, outlining a detailed timeline and financing schedule of capital projects for a five (5) year period of time and a summary schedule of capital projects for a twenty (20) year period.

**CAPITAL IMPROVEMENT PROJECT:** A capital project is a heavy equipment acquisition, a computer/software systems acquisition, or a public improvement that involves construction of new infrastructure, additions to existing structures, renovation of existing structures, and major repairs to infrastructure of a comprehensive and non-routine nature. A capital project is defined in financial terms as a project with a projected final cost of at least \$50,000 and is a non-recurring expense.

In addition, the capital asset(s) resulting from the project should have a useful life of at least 10 years. Studies, design and engineering fees greater than \$10,000 which are preparatory to a capital project with a projected final cost of at least \$50,000 should be included as part of the capital project cost.

**INFRASTRUCTURE IMPROVEMENT PLAN (IIP):** A written plan that individually or collectively identifies each public service that is proposed to be the subject of a develop-

ment fee. The Town of Fountain Hills' IIP is incorporated as part of the Town CIP and follows the same timeline and procedure.

## PROCESS

A. Schedule: Annually, the CIP Coordinator and Finance Director will submit a proposed CIP development calendar to the Town Manager for review. Based on this calendar, the CIP Coordinator will initiate a request to the Management Team for submission of updates, revisions and new projects for the five (5) year Capital Improvement Program. A further, but less detailed, review of the twenty (20) year plan will also be conducted.

B. Format: The Management Team will utilize the previous year's approved CIP as a base for developing recommended additions, deletions, or changes for incorporation in the updated CIP for the ensuing year. The Management Team will utilize the standard format provided to submit new projects or propose revisions to existing projects. All new projects will also include a comprehensive estimate of the impact of the new project on the Town's annual operating budget; e.g., salaries and benefits, supplies, utilities, fuel, maintenance requirements, etc.

C. Finance Review: The Finance Director will assist the CIP Coordinator as necessary in all facets of Capital Improvement Program development and review including production of revenue estimates, and estimated growth in assessed valuation as well as overall financial analysis of the proposed program. Additional assistance may be requested to help produce draft documents, etc.

D. Town Manager Review: The CIP Coordinator will provide a copy of the proposed CIP document to the Finance Director and Town Manager for review and comment prior to distribution of the CIP document to the Town Council as part of the budget package.

E. Public Hearing: The proposed CIP will be considered at a public hearing convened by the Town Council to accept comments and input from the public on the content of the Plan. Notice of said public hearing date, place, and time will be made at least 60 days in advance of the scheduled hearing. Copies of the proposed CIP will be made available to the public at least 30 days prior to the scheduled hearing date and at the hearing itself.

F. Town Council Approval: The final draft of the proposed CIP will be submitted as an agenda item for formal approval by the Town Council at the first Council Meeting in June.

G. Distribution: A copy of the approved CIP document will be published on the Town's website.

H. Implementation: Upon adoption of the CIP, projects included within the applicable budget year may be implemented by the appropriate Management Team member in compliance with the Town's Purchasing Policy, Special Benefit District or applicable procedure.

I. Amendments: The adopted CIP may be amended upon approval of the Town

Council. Examples of amendments include cost increases for approved projects, the acceleration of projects to the applicable budget year from a future year, and the addition of projects not previously included in the CIP.

An amendment to the CIP will be submitted to the Town Manager for approval. Upon approval, the amendment should be prepared as an agenda item for formal approval by the Town Council at a regular or special call meeting. Upon approval, a copy of the amended CIP document will be published on the Town's website.

#### PROCEDURE:

A. Form: The form listed as Attachment A shall be utilized to request inclusion of a project in the Capital Improvement Plan.

B. Funding Prioritization: As part of the project submittal process, Management Team members shall identify project priorities to help determine which projects are recommended for inclusion in the five-year CIP.

The initial measure of the project's priority is first established using the following factors:

##### HIGH

- Project protects the health and safety of the Town, its residents, visitors and employees.
- Project is mandated by local, State or Federal regulations
- Project is a high priority of the Town Council, based on the most current Strategic Plan or other subsidiary plans
- Project prevents irreparable damage to existing facilities
- Project leverages local funding with other non-local funding sources
- Project finishes a partially completed project

##### MEDIUM

- Project maintains existing service levels
- Project provides for the maintenance of existing systems and equipment
- Project results in increased efficiency
- Project reduces operational costs

Project significantly reduces losses in revenue or provides for significant increased revenues

##### LOW

- Project provides an expanded level of service or new public facility not included in the Town Council's priorities.
  - Project is deferrable
- Project uses debt financing

C. Funding Sources: The primary funding sources for the CIP are the General Fund, Grants, Development Fees, Excise Taxes, HURF, Bonded Indebtedness, Capital Leases and Capital Project funds. All potential projects must identify the proposed sources of funding before submission of the CIP request.

Projects that are funded by Development Fees must also identify the relationship

between the IIP project and the Development fee from which it is funded in the justification section of the CIP Form.

D. Project Schedule: Each Project Manager shall provide a preliminary schedule which shall detail the various phases involved in the project and their starting and ending dates.

It is the responsibility of the Project Manager to maintain this schedule or to provide schedule updates to the CIP Coordinator on at least a quarterly basis.

**RESPONSIBILITY FOR ENFORCEMENT:**

The Town Manager, Finance Director and CIP Coordinator will be responsible for ensuring that this policy is followed and/or updated as necessary.

PROJ NO	PROJECT TITLE	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	TOTAL
<b>DOWNTOWN IMPROVEMENTS</b>							
E8005	Avenue of the Fountains Improvements, Phase III	\$0	\$0	\$0	\$0	\$4,122,285	\$4,122,285
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,122,285</b>	<b>\$4,122,285</b>
<b>OPEN SPACE PROJECTS</b>							
O7002	Adero Canyon Trailhead	\$0	\$0	\$1,549,920	\$1,033,280	\$0	\$2,583,200
O7003	Trail Connectivity Plan	\$0	\$1,090,000	\$0	\$0	\$0	\$1,090,000
O7004	FH McDowell Mtn Preserve Access	\$169,160	\$0	\$0	\$0	\$0	\$169,160
O7005	Botanical Garden Parking Improvements	\$68,000	\$0	\$0	\$0	\$0	\$68,000
	<b>TOTAL</b>	<b>\$237,160</b>	<b>\$1,090,000</b>	<b>\$1,549,920</b>	<b>\$1,033,280</b>	<b>\$0</b>	<b>\$3,910,360</b>
<b>STREET PROJECTS</b>							
S6001	Shea Blvd Truck Climbing Lane	\$1,240,000	\$0	\$0	\$0	\$0	\$1,240,000
S6003	Unpaved Alley Paving Projects	\$64,000	\$48,000	\$50,000	\$107,200	\$68,000	\$337,200
S6005	Shea Blvd Widening	\$72,600	\$360,000	\$300,000	\$0	\$0	\$732,600
S6006	Fountain Hills Blvd Sidewalk	\$120,780	\$288,300	\$0	\$0	\$0	\$409,080
S6007	Annual Sidewalk Program	\$245,000	\$342,000	\$292,263	\$291,014	\$289,710	\$1,459,987
S6008	Annual Pavement Management	\$825,000	\$1,781,863	\$1,830,905	\$1,830,905	\$1,830,905	\$8,099,579
S6009	Downtown Sidewalk Program	\$44,500	\$26,543	\$27,737	\$28,986	\$30,290	\$158,056
S6010	Saguaro Blvd Mill & Overlay	\$0	\$3,100,000	\$0	\$0	\$0	\$3,100,000
S6011	La Montana Medians	\$0	\$0	\$0	\$155,300	\$0	\$155,300
S6012	Palisades & Vista Intersection Reconfiguration	\$0	\$0	\$0	\$0	\$0	\$0
S6013	Palisades & Sunburst Intersection Reconfiguration	\$0	\$0	\$0	\$0	\$345,000	\$345,000
S6014	Turn lanes-Palisades at F H Blvd	\$0	\$0	\$0	\$0	\$0	\$0
S6015	Fountain Hills Blvd Widening	\$0	\$0	\$0	\$0	\$0	\$0
S6016	Medians-FH Blvd	\$0	\$0	\$0	\$0	\$0	\$0
S6017	Intersection reconfig-Saguaro & Trevino	\$0	\$0	\$0	\$0	\$0	\$0
S6018	Saguaro/Monterey Right Turn Improvements	\$0	\$0	\$65,000	\$375,000	\$0	\$440,000
S6019	Saguaro Blvd Service Road Elimination	\$0	\$0	\$123,200	\$747,500	\$0	\$870,700
S6020	Intersection Improvement-Saguaro & AOTF	\$0	\$0	\$0	\$0	\$0	\$0
S6021	Medians-Saguaro & Grande	\$0	\$0	\$0	\$0	\$0	\$0
S6022	Medians-Saguaro & F H Blvd	\$0	\$0	\$0	\$0	\$0	\$0
S6023	Shea/Saguaro Blvd	\$0	\$0	\$0	\$0	\$0	\$0

PROJ	NO	PROJECT TITLE	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	TOTAL
S6024		Shea/Saguaro Blvd	\$0	\$0	\$0	\$0	\$0	\$0
S6046		Fountain Hills Blvd Sidewalk	\$0	\$100,000	\$107,500	\$1,537,000	\$0	\$1,744,500
S6047		Shea Blvd Sidewalk	\$0	\$0	\$0	\$55,000	\$198,000	\$253,000
S6050		Shea Blvd Bike lane	\$92,000	\$0	\$0	\$0	\$0	\$92,000
S6051		Ave of the Fountains/La Montana Ped Movement	\$0	\$110,000	\$1,644,000	\$0	\$0	\$1,754,000
L1002		Median Landscape-Palisades	\$0	\$0	\$180,200	\$327,000	\$0	\$507,200
T5003		Traffic Signal-Palisades & Sunridge	\$255,000	\$0	\$0	\$0	\$0	\$255,000
T5004		Traffic Signal-AOTF & Saguaro	\$0	\$0	\$200,000	\$285,000	\$0	\$485,000
T5005		Traffic Signal-Palisades & Eagle Ridge/Palomino	\$0	\$40,000	\$490,000	\$0	\$0	\$530,000
T5006		FHB and Glenbrook	\$0	\$0	\$0	\$0	\$0	\$0
T5007		Saguaro & Panorama	\$0	\$0	\$0	\$0	\$56,000	\$56,000
T5009		Traffic Signal Upgrades	\$0	\$142,400	\$148,800	\$155,000	\$0	\$446,200
<b>TOTAL</b>			<b>\$2,958,880</b>	<b>\$6,339,106</b>	<b>\$5,459,605</b>	<b>\$5,894,905</b>	<b>\$2,817,905</b>	<b>\$23,470,402</b>
<b>STORMWATER MGMT/DRAINAGE PROJECTS</b>								
D6026		Drainage-Saguaro Blvd	\$0	\$0	\$0	\$0	\$0	\$0
D6027		Drainage-Del Cumbre	\$78,400	\$0	\$0	\$0	\$0	\$78,400
D6028		Drainage-FHB/Oxford Wash	\$15,000	\$0	\$0	\$0	\$0	\$15,000
D6029		Drainage-Firebrick/Laser	\$0	\$0	\$0	\$0	\$0	\$0
D6030		Drainage-Ashbrook Wash Crossing	\$0	\$0	\$0	\$250,700	\$1,243,100	\$1,493,800
D6031		Drainage-Balboa Wash Crossing	\$0	\$0	\$0	\$0	\$30,200	\$30,200
D6032		Drainage-Hesperus Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6033		Drainage-Oxbow Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6034		Drainage-Caliente Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6035		Drainage-Arrow Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6036		Drainage-Colony Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6037		Drainage-Fountain Channel Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6038		Drainage-Ironwood Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6039		Drainage-Malta Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6040		Drainage-Emerald Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6041		Drainage-Kingstree Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6042		Drainage-Cypress Point Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6043		Drainage-Jacklin Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6044		Drainage-Excalente Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
D6045		Drainage-Legend Wash Crossing	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>			<b>\$93,400</b>	<b>\$0</b>	<b>\$0</b>	<b>\$250,700</b>	<b>\$1,273,300</b>	<b>\$1,617,400</b>

PROJ NO	PROJECT TITLE	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	TOTAL
<b><u>PARK &amp; RECREATION PROJECTS</u></b>							
P3007	Desert Vista Park, Phase II	\$1,693,933	\$0	\$0	\$0	\$0	\$1,693,933
P3008	Four Peaks Park, Phase II & III	\$0	\$0	\$0	\$909,862	\$1,235,350	\$2,145,212
P3011	Fountain Park, Phase VI	\$0	\$1,301,755	\$0	\$0	\$0	\$1,301,755
P3013	Neighborhood Park	\$0	\$0	\$0	\$0	\$0	\$0
P3014	Community Park-Ellman Property	\$0	\$0	\$3,220,000	\$3,304,000	\$3,388,000	\$9,912,000
P3016	Neighborhood Park	\$0	\$0	\$0	\$0	\$0	\$0
P3017	Kiwanis Park Improvements	\$0	\$0	\$0	\$0	\$0	\$0
P3019	Joint Use Park-High School site	\$0	\$0	\$0	\$661,800	\$0	\$661,800
P3020	Joint Use Park- McDowell Elem	\$0	\$0	\$629,640	\$0	\$0	\$629,640
<b>TOTAL</b>		<b>\$1,693,933</b>	<b>\$1,301,755</b>	<b>\$3,849,640</b>	<b>\$4,875,662</b>	<b>\$4,623,350</b>	<b>\$16,344,340</b>
<b><u>LIBRARY &amp; MUSEUM PROJECTS</u></b>							
F 4012	Event Circle	\$90,000	\$250,000	\$0	\$0	\$0	\$340,000
<b>TOTAL</b>		<b>\$90,000</b>	<b>\$250,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$340,000</b>
<b><u>GENERAL GOVERNMENT PROJECTS</u></b>							
F4001	Civic Center Phase II	\$0	\$0	\$0	\$0	\$0	\$0
F4002	Street Maintenance Facility Improvements	\$17,000	\$0	\$130,000	\$733,000	\$0	\$880,000
F4004	Senior Center	\$0	\$0	\$0	\$0	\$0	\$0
F4007	Document Preparation/Reproduction	\$0	\$0	\$0	\$0	\$0	\$0
F4009	Parking Garage	\$0	\$0	\$0	\$0	\$0	\$0
F4010	Public Aquatic and Fitness Facility	\$0	\$0	\$0	\$0	\$0	\$0
F4011	Municipal Government Software	\$200,000	\$200,000	\$0	\$0	\$0	\$400,000
<b>TOTAL</b>		<b>\$217,000</b>	<b>\$200,000</b>	<b>\$130,000</b>	<b>\$733,000</b>	<b>\$0</b>	<b>\$1,280,000</b>
<b><u>FIRE &amp; EMERGENCY PROJECTS</u></b>							
F4005	Fire Station 2 Relocation	\$364,025	\$1,456,103	\$0	\$0	\$0	\$1,820,128
<b>TOTAL</b>		<b>\$364,025</b>	<b>\$1,456,103</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,820,128</b>

PROJ NO	PROJECT TITLE	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	TOTAL
<u>LAW ENFORCEMENT PROJECTS</u>							
F4005	Police Station	\$0	\$0	\$0	\$0	\$0	\$0
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>LIBRARY, ART &amp; MUSEUM PROJECTS</u>							
F4008	Performing Arts Building	\$0	\$0	\$0	\$0	\$0	\$0
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>VEHICLE REPLACEMENT PROGRAM</u>							
F-911	Ford F-150	\$45,000	\$0	\$0	\$0	\$0	\$45,000
PR-121	Van	\$67,000	\$0	\$0	\$0	\$0	\$67,000
	<b>TOTAL</b>	<b>\$112,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$112,000</b>
	<b>TOTAL CAPITAL PROJECTS</b>	<b>\$5,766,398</b>	<b>\$10,636,964</b>	<b>\$10,989,165</b>	<b>\$12,787,547</b>	<b>\$12,836,840</b>	<b>\$53,016,915</b>

PROJ NO	PROJECT TITLE	FY 2008-09										Capital Fund	Vehicle Replacement	Total		
		General Fund	Developer Fees Streets	Developer Fees Park & Recreation	Developer Fees Open Space	HURF	Grants									
OPEN SPACE PROJECTS																
O7004	FH McDowell Min Preserve Access	\$169,160			\$169,160									\$169,160		\$169,160
O7005	Botanical Garden Parking Improvements	\$68,000			\$68,000									\$68,000		\$68,000
TOTAL		\$237,160	\$0	\$0	\$237,160	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$237,160	\$0	\$237,160
STREET PROJECTS																
S6001	Roadway Widening-Shea Blvd truck climbing lane	\$1,240,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,240,000	\$0	\$0	\$1,240,000	\$0	\$1,240,000
S6003	Dirt Alley Paving-Siguero	\$64,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64,000	\$0	\$0	\$64,000	\$0	\$64,000
S6005	Roadway Widening-Shea Blvd	\$72,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$72,600	\$0	\$0	\$72,600	\$0	\$72,600
S6006	Sidewalk-FH Blvd	\$120,780	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120,780	\$0	\$0	\$120,780	\$0	\$120,780
S6007	Annual Sidewalk Program	\$245,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$245,000	\$0	\$0	\$245,000	\$0	\$245,000
S6008	Annual Pavement Management	\$825,000	\$0	\$0	\$0	\$0	\$0	\$0	\$825,000	\$0	\$0	\$0	\$0	\$825,000	\$0	\$825,000
S6009	Downtown Sidewalk Program	\$44,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$44,500	\$0	\$0	\$44,500	\$0	\$44,500
S6050	Shea Blvd Bike lane	\$92,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$92,000	\$0	\$0	\$92,000	\$0	\$92,000
T5003	Traffic Signal-Palisades & Sunridge	\$255,000	\$0	\$255,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$255,000
TOTAL		\$2,958,880	\$0	\$255,000	\$0	\$0	\$825,000	\$0	\$1,878,880	\$0	\$1,878,880	\$0	\$0	\$2,958,880	\$0	\$2,958,880
STORMWATER MGMT/DRAINAGE PROJECTS																
D6027	Drainage-Del Cumbre	\$78,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$78,400	\$0	\$0	\$78,400	\$0	\$78,400
D6028	Drainage-FHB/Oxford Wash	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000	\$0	\$0	\$15,000	\$0	\$15,000
TOTAL		\$93,400	\$0	\$0	\$0	\$0	\$0	\$0	\$93,400	\$0	\$93,400	\$0	\$0	\$93,400	\$0	\$93,400
PARK & RECREATION PROJECTS																
P3007	Desert Vista Park, Phase II	\$1,693,933	\$0	\$565,000	\$0	\$0	\$523,222	\$605,711	\$0	\$523,222	\$605,711	\$0	\$0	\$1,693,933	\$0	\$1,693,933
TOTAL		\$1,693,933	\$0	\$565,000	\$0	\$0	\$523,222	\$605,711	\$0	\$523,222	\$605,711	\$0	\$0	\$1,693,933	\$0	\$1,693,933
LIBRARY & MUSEUM PROJECTS																
F-4012	Event Circle	\$90,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$90,000	\$0	\$0	\$90,000	\$0	\$90,000
TOTAL		\$90,000	\$0	\$0	\$0	\$0	\$0	\$0	\$90,000	\$0	\$90,000	\$0	\$0	\$90,000	\$0	\$90,000
GENERAL GOVERNMENT PROJECTS																
F4002	Street Maintenance Facility Improvements	\$17,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000	\$0	\$0	\$17,000	\$0	\$17,000
F4011	Municipal Government Software	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	\$0	\$200,000
TOTAL		\$217,000	\$200,000	0	0	0	0	0	\$17,000	0	\$17,000	0	0	\$217,000	0	\$217,000
FIRE & EMERGENCY PROJECTS																
F4005	Fire Station 2 Relocation	\$364,025	\$0	\$0	\$0	\$0	\$0	\$364,025	\$0	\$0	\$364,025	\$0	\$0	\$364,025	\$0	\$364,025
TOTAL		\$364,025	\$0	\$0	\$0	\$0	\$0	\$364,025	\$0	\$0	\$364,025	\$0	\$0	\$364,025	\$0	\$364,025
VEHICLE REPLACEMENT																
F-911	Ford F-150	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$45,000	\$45,000
PR-121	Van	\$67,000	\$0	\$0	\$0	\$0	\$33,500	\$0	\$0	\$33,500	\$0	\$0	\$0	\$33,500	\$33,500	\$67,000
TOTAL		\$112,000	\$0	\$0	\$0	\$0	\$33,500	\$0	\$0	\$33,500	\$0	\$0	\$78,500	\$78,500	\$78,500	\$112,000
TOTAL CAPITAL PROJECTS		\$5,766,398	\$200,000	\$255,000	\$237,160	\$825,000	\$556,722	\$3,049,016	\$78,500	\$556,722	\$3,049,016	\$78,500	\$5,766,398	\$5,766,398	\$5,766,398	\$5,766,398

TOWN OF FOUNTAIN HILLS

CAPITAL IMPROVEMENT PROJECT INFORMATION

PROJECT TITLE:	PROJECT DESCRIPTION:				
Fountain Hills McDowell Mountain Preserve Access	Develop access to the Fountain Hills McDowell Mountain Preserve including trail development, temporary parking, and related signage at the end of Eagle Ridge Drive. A master plan for the site has been prepared, properly identifying parking, trail access and temporary restroom facilities.				
DEPARTMENT: Parks and Recreation					
PROJECT MANAGER: Mark C. Mayer					
PROJECT NUMBER: O 7004					
FUNDING PRIORITY: High-Town Council Priority					
FUNDING SOURCES(S):	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13
Developer Fees	\$169,160				
Impact on Operating Budget	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
PROJECT SCHEDULE:	STARTING DATE	ENDING DATE			
CONSTRUCTION:	7.28.2008	9.26.2008			
CONSTRUCTION:	9.1.2008	10.3.2008			

**JUSTIFICATION:**

The Town's McDowell Mountain Preservation Commission and the Sonoran Conservancy have requested public access to the Town's Fountain Hills McDowell Mountain Preserve. This was one of the Town Council goals for 2007-2008, but as an agreement for access has not yet been reached, the funding for this project will be carried over to fiscal year 2008-09

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

Agreement between the Town and MCO for access to the McDowell Mountain Preserve has not yet been achieved, therefore a carry forward of funds is necessary for this project.

## TOWN OF FOUNTAIN HILLS

### CAPITAL IMPROVEMENT PROJECT INFORMATION

#### PROJECT TITLE:

Botanical Garden Parking Improvements

#### PROJECT DESCRIPTION:

The project involves construction of a parking facility for the Desert Botanical Garden located off of Fountain Hills Blvd., which is currently undergoing renovation. The proposed project would include a deceleration lane, an acceleration lane, an access security gate, a trail and information kiosk, hard surface parking (including handicapped) for five cars and landscaping.

**DEPARTMENT:** Parks and Recreation

**PROJECT MANAGER:** Mark Mayer

**PROJECT NUMBER:** O7005

**FUNDING PRIORITY:** High-Town Council Priority

**FUNDING SOURCES(S):**

Developer Fees

FY2008-09 FY2009-10 FY2010-11 FY2011-12 FY2012-13

\$68,000

Impact on Operating Budget

#### PROJECT SCHEDULE:

**PLANNING/DESIGN:**

**CONSTRUCTION**

**COMPLETION:**

**OCCUPANCY/USE:**

STARTING DATE ENDING DATE

1.14.2008 2.4.2008  
6.7.2008 8.25.2008  
9.1.2008 9.1.2008  
9.8.2008 9.8.2008

**JUSTIFICATION:**

This was a last minute addition to the FY 07-08 CIP budget at the request of the Town Council. Following lengthy negotiations with Chaparral City Water Co., who owns adjacent land needed for parking, the Town was not able to reach an agreement that would allow for construction of the site as originally planned.

Redesign of the parking facility on Town-owned property began in spring 2008 and construction will likely begin in July 2008. Since 2007, volunteers have been working to renovate the long-abandoned site to make it again available to the public.

However, off-street parking is needed along with deceleration and acceleration lanes to make the site safer.

The volunteer local Botanical Garden group has been working to complete a new trail into the site and is nearing completion. The group continues to meet on a monthly basis and has regular workdays at the site.

The funds budgeted for the 2007-08 fiscal year will complete the grading of the site. The funds requested for FY2008-09 will complete the remaining parking lot site improvements.

**TOWN OF FOUNTAIN HILLS**  
**CAPITAL IMPROVEMENT PROJECT INFORMATION**

**PROJECT TITLE:**

Shea Blvd. Truck Climbing Lane

**PROJECT DESCRIPTION:**

Widen the north side of Shea Boulevard between Palisades Boulevard and Fountain Hills Boulevard. Add an additional third westbound lane, bicycle lane, curb & gutter, sidewalk and appurtenances.

The design of the project began in fiscal year 06-07 and continues through fiscal year 07-08.

Construction is expected to begin in fiscal year 08-09 and be completed in February, 2010.

**DEPARTMENT:** Public Works

**PROJECT MANAGER:** Larry J. Woodlan, PE

**PROJECT NUMBER:** S6001

**FUNDING PRIORITY:** High-Finishes a partially completed project

**FUNDING SOURCES(S):**

Capital Projects Fund

Carry Forward

**FY2008-09**   **FY2009-10**   **FY2010-11**   **FY2011-12**   **FY2012-13**

\$1,100,000

\$140,000

**Impact on Operating Budget**

\$3,000      \$3,090      \$3,183      \$3,278      \$3,376

**PROJECT SCHEDULE:**

**ENGINEERING:**

**CONSTRUCTION**

**STARTING DATE**      **ENDING DATE**

10.1.2008      9.8.2008

10.13.2008      2.8.2010

**JUSTIFICATION:**

In 2001, the Town applied for a grant to construct the Shea Boulevard Improvements and was awarded a Surface Transportation Project-Maricopa Association of Governments (STP-MAG) grant in the amount of \$1,076,000. ADOT directly pays construction related costs of the project up to the Grant amount, so the Town does not see these costs in the project budget, nor does the Town recognize the Grant revenue.

This section of Shea Boulevard, between Fountain Hills Boulevard and Palisades Boulevard, has a long steep westbound uphill grade (maximum grade of 5%-6% for 2200'). The steep uphill grade forces many large, heavily loaded trucks to slow and use lower gears. Additionally, traffic signals at Fountain Hills Boulevard (at the start of the hill) and at Palisades Boulevard (near the top of the hill) accentuate the truck climbing problems.

Mile long holiday weekend backups caused by vacationers returning to the Valley (Sunday or Monday p.m.) have been common on this road segment.

Shea Boulevard is also a popular bicycle route (Maricopa Association of Governments Route 62) for the experienced well-conditioned athlete. However, its long length of steep grade also forces bicyclists to a low speed, creating excess hazards with slow bicyclists, large slow trucks, and fast moving cars.

The 2006 weekday traffic volume along Shea Boulevard averaged 24,400 vehicles per day (vpd). By 2030, MAG projects Shea Boulevard will carry in excess of 39,000 vpd. McDot projects that the capacity of a 4-lane street is only 35,000 vpd, therefore, the capacity of Shea Boulevard will be exceeded in the future.

The Town will deposit its portion of the costs (\$1,100,000) with ADOT in FY 08-09 and ADOT will combine the Town portion with the grant of \$1,076,000 and pay all invoices to the contractors, inspectors, etc.

Includes \$40,000 for relocation of SRP 69KV pole.

**BUDGET MODIFICATIONS:CARRYFORWARDS:**

The design of the project began in FY 06-07 and continues through FY 07-08. \$100,000 is being carried over from FY2007-08. The ADOT review processes are causing the design effort to extend into the next fiscal year.

**TOWN OF FOUNTAIN HILLS**  
**CAPITAL IMPROVEMENT PROJECT INFORMATION**

**PROJECT TITLE:**

Unpaved Alley Paving Project

**PROJECT DESCRIPTION:**

This project involves paving a number of unpaved alleys throughout the Town. The paving project is divided into 5 different phases (5970 l.f.)  
 Phase I is 1245 l.f. from Panorama to Colony.  
 Phase II is 870 l.f. from Tower to Panorama.  
 Phase III is 890 l.f. from Panorama to Enterprise.  
 Phase IV is 1150 l.f. adjacent to Colony Wash and  
 770 l.f. from Fountain Hills Boulevard to Glenbrook Blvd.  
 Phase V is 635 l.f. from Desert Vista to Saxon Drive and  
 410 l.f. from Tioga south and east of Panorama.

**DEPARTMENT:** Public Works

**PROJECT MANAGER:** Tom Ward

**PROJECT NUMBER:** S6003

**FUNDING PRIORITY:** High-Federal, State or Local Mandate

**FUNDING SOURCES(S):**

Capital Projects Fund

FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13
\$64,000	\$48,000	\$50,000	\$107,200	\$68,000

Impact on Operating Fund

\$0	\$0	\$0	\$0	\$0
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**PROJECT SCHEDULE:**

CONSTRUCTION

STARTING DATE	ENDING DATE
8.4.2008	6.24.2013

**JUSTIFICATION:**

Maricopa County has a concern for the air pollution in the Valley and outlying areas. Part of the problem involves particulate matter in the air. In order to reduce this air pollution, the State of Arizona is requiring that all unpaved alleys be hard surfaced.

By creating an IGA with MAG, the Town of Fountain Hills Council was required to comply with this state law.

The Town is performing the design in-house and will have the construction performed by the Town Job Order Contractor.

The Town Council has committed to paving all the unpaved alleys within the next 5 years.

The project has allocated \$5,000 in construction costs for each project for construction staking.

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

## TOWN OF FOUNTAIN HILLS

### CAPITAL IMPROVEMENT PROJECT INFORMATION

#### PROJECT TITLE:

Shea Boulevard Widening

#### PROJECT DESCRIPTION:

East Town Boundary to 1000' west of Technology. Design and construction of street widening for a third lane, side walk, traffic signal interconnect, curb & gutter and appurtenances.

Phase I is from the Town east boundary to 1000' west of Technology (FY 07-08 to FY 10-11).

Phase II is from 1000' west of Technology to Palisades Boulevard (FY20-21 to 22-23).

DEPARTMENT: Public Works

PROJECT MANAGER: Larry J. Woodlan, PE

PROJECT NUMBER: S6005

FUNDING PRIORITY: High-Leverages local funds

FUNDING SOURCES(S):

Capital Projects Fund

FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13
\$72,600	\$360,00	\$300,000		

Impact on Operating Budget

\$1,500	\$1,545	\$1,591	\$1,639	\$1,688
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#### PROJECT SCHEDULE:

ENGINEERING:  
CONSTRUCTION

STARTING DATE	ENDING DATE
4.17.2008	4.13.2009
4.13.2009	4.11.2011

**JUSTIFICATION:**

This project is being partially funded with Prop 400 (1/2 cent sales tax) monies. The Town would pay for design, right-of-way and construction costs and MAG will reimburse the Town for up to 70% of the cost.

In 2002, the Town applied for a grant to widen Shea Boulevard, from the East Boundary to Palisades Boulevard, to 6 lanes (3 lanes in each direction) plus appurtenances.

Shea Boulevard is a road of regional significance. Shea has also been listed on the National Highway System. Shea is the only arterial classification level connection between Scottsdale and Mesa north of McDowell Road and is the only arterial road feeding the Beeline Highway north of McDowell Road.

Except for this 2.7 mile "bottleneck" project length, Shea Boulevard is currently built to the MAG principal arterial standard 6 lanes, medianed, with bike lanes and meandering side walk for nearly its full length from Piestewa Freeway to Loop 101 to the Beeline Highway. Shea Boulevard currently carries 35,000 vpd at Palisades Boulevard and 25,000 vpd at Saguaro Boulevard.

This existing roadway section is typically an uncurbed, 4 lane divided roadway with a gravel median. It was constructed by MCDOT in 1964 and 1973, with several segments of partial developer widening (Target Center, etc.). Because of the rugged topography, existing developments on each side, and the Town's efforts to maintain only limited access to Shea Boulevard, very little additional developer widening will ever occur. Speeds are limited to 45-50 mph.

Shea Boulevard is a wide road for a small Town. It traverses rugged terrain and carries a high amount of regional-interstate car and truck traffic.

In 2005, the Town Staff requested MAG consider phasing the project. The first Phase of the project would start at the Town East Boundary and continue to 1000' west of Technology. The second Phase would begin 1000' west of Technology and end at Palisades Boulevard. MAG is verbally in agreement with this phasing plan. Town staff will complete this phasing plan with MAG.

Town staff is in process of negotiating with an engineering company to perform the design for Phase I.

**BUDGET MODIFICATIONS:CARRYFORWARDS:**

**TOWN OF FOUNTAIN HILLS**  
**CAPITAL IMPROVEMENT PROJECT INFORMATION**

**PROJECT TITLE:**

Fountain Hills Boulevard Sidewalk  
(Fayette Drive to Middle School)

**PROJECT DESCRIPTION:**

The five year sidewalk plan detail is attached as part of this project description.  
In FY2008-09 the plan calls for the design and construction of an 8' sidewalk from Fayette Drive to the Middle School.

**DEPARTMENT:** Public Works

**PROJECT MANAGER:** Larry J. Woodlan, PE

**PROJECT NUMBER:** S6006

**FUNDING PRIORITY:** High-Leverages local funds

**FUNDING SOURCES(S):**

Capital Projects Fund

**FY2008-09      FY2009-10      FY2010-11      FY2011-12      FY2012-13**

\$120,780      \$288,300

**Impact on Operating Budget**

\$0      \$0      \$0      \$0      \$0

**PROJECT SCHEDULE:**

**ENGINEERING:**  
**CONSTRUCTION**

**STARTING DATE      ENDING DATE**

1.4.2008      6.1.2009  
7.13.2009      6.14.2010

**JUSTIFICATION:**

In 2004, the Town applied for and was awarded a Congestion Mitigation Air Quality (CMAQ) grant from Maricopa County Association of Governments in the amount of \$354,200. This Grant provides for the direct payment of construction costs by ADOT up to the amount of the Grant. The balance of the cost of the project would be paid by the Town from Capital Project funds.

The project addresses a critical lack of sidewalks along an arterial roadway (and a Road of Regional Significance) and a major pedestrian route - the only route to the Fountain Hills Middle School. Sidewalks will encourage Middle School students to walk to school, leading to a reduction of the large number of student drop-offs and pick-ups by parents and the associated congestion and engine-running waiting time, thereby improving air quality.

This project will insure added safety to pedestrians by providing a sidewalk separated from vehicular and bicycle traffic on Fountain Hills Boulevard. Likewise, there will be a major benefit to bicyclists who will no longer share the existing on-street bike lane with pedestrians. Retired adults (using the Town's few sidewalks for exercising walking) are the second most common walkers (after students). These sidewalks will provide a concrete walking surface and handicap-accessible ramps, reducing the fall risk from existing uneven dirt paths in front of the existing commercial, multi-family and church facilities, in addition to reducing the traffic accident hazard of walking in the existing bike lane adjacent to the traffic.

\$89,833 Design FY 07-08.

\$120,780 Design FY 08- 09.

\$288,300 Construction & Engineering During Construction FY 09-10 (Town cost).

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

**TOWN OF FOUNTAIN HILLS**  
**CAPITAL IMPROVEMENT PROJECT INFORMATION**

**PROJECT TITLE:**

Annual Side walk Program

**PROJECT DESCRIPTION:**

In August of 2007, Town Staff presented a long range, Town wide sidewalk plan to Council. The following project are as are included in this 5 year plan:  
 FY 08-09 Alamosa  
 FY 09-10 Del Cambre  
 Priorities for the balance of the 5 CIP are currently being established.

**DEPARTMENT:** Public Works

**PROJECT MANAGER:**

**PROJECT NUMBER:** S 6007

**FUNDING PRIORITY:** High-Town Council Priority

**FUNDING SOURCES(S):**

Capital Projects Fund

<b>FY2008-09</b>	<b>FY2009-10</b>	<b>FY2010-11</b>	<b>FY2011-12</b>	<b>FY2012-13</b>
\$245,000	\$342,000	\$292,263	\$291,014	\$289,710

**Impact on Operating Budget**

\$0	\$0	\$0	\$0	\$0
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**PROJECT SCHEDULE:**

**CONSTRUCTION**

**STARTING DATE**

9.8.2008

**ENDING DATE**

6.10.2013

**JUSTIFICATION:**

The Town Council has established pedestrian safety as a goal.

MAG gave the Town a grant to design a sidewalk on Alamosa and Del Cambre. The design portion will be completed in FY2007-08. The project will be ready for construction in fiscal year 08-09.

\$342,000 Del Cambre FY 09-10 (\$312,000 sidewalk + \$30,000 inspection). A storm sewer from Rosita to Ashbrook wash is listed in the drainage projects.

\$245,000 Alamosa in 2009 dollars FY 08-09 (\$210,000 sidewalk + \$35,000 inspection).

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

TOWN OF FOUNTAIN HILLS

CAPITAL IMPROVEMENT PROJECT INFORMATION

PROJECT TITLE:	PROJECT DESCRIPTION:
Annual Pavement Management	Slurry Seal and Micro-Surface streets plus street mill and overlay. The Town has a 6 year rotation program to provide pavement maintenance to all streets. Zone 3 is scheduled for completion during FY 08-09. The Town is scheduling the mill and overlay of Saguaro Blvd in FY 09-10. Additional detail on mill and overlay streets in future years is being established. A map that shows the Pavement Management Zones is attached to this project description.
DEPARTMENT: Public Works	
PROJECT MANAGER:	
PROJECT NUMBER: S 6008	
FUNDING PRIORITY: High-Town Council Priority	
FUNDING SOURCES(S):	FY2008-09FY2009-10FY2010-11FY2011-12FY2012-13
Streets Fund	\$825,000\$1,781,863\$1,830,905\$1,830,905\$1,830,905
Impact on Operating Budget	\$0\$0\$0\$0\$0
PROJECT SCHEDULE:	STARTING DATEENDING DATE
CONSTRUCTION	12.26.20076.17.2013

The Town had a pavement management program started a number of years ago. In the fall of 2007, our consultant gave us a list of streets that needed more than slurry sealing and micro surfacing. We are reviewing the list to determine the streets to mill and overlay in future years.

Saguaro Boulevard is identified as a street to mill and overlay in FY 08-09. That work is being performed under a separate project.

The pavement management analysis/consultant recommended the Town continue the slurry seal and micro surface program.

Currently, the program is set up to accomplish all residential areas on a 6-year rotation. There are 6 zones in Town plus the major roads (Saguaro, Fountain Hills Blvd., Palisades and Shea).

Zone 1- FY 06-07

Zone 2- FY 07-08

Zone 3- FY 08-09

Zone 4 - FY 09-10

Zone 5 - FY 10-11

Zone 6 - FY 11-12

Major Roads - FY 12-13

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

## TOWN OF FOUNTAIN HILLS

### CAPITAL IMPROVEMENT PROJECT INFORMATION

#### PROJECT TITLE:

Downtown Side walk Program

#### PROJECT DESCRIPTION:

The following project areas are included in the first year of the plan:  
Ave of the Fountain (West Side)  
AOTF @ Mid Block Crossing in East Grass Median,  
east of Verde River  
A-100' to fill a gap  
B-200' to fill a gap

DEPARTMENT: Public Works

PROJECT MANAGER:

PROJECT NUMBER: S 6009

FUNDING PRIORITY: Medium-Maintains existing service levels

FUNDING SOURCES(S):

Capital Projects Fund

	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13
	\$44,500	\$26,543	\$27,737	\$28,986	\$30,290

Impact on Operating Budget

\$0	\$0	\$0	\$0	\$0
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#### PROJECT SCHEDULE:

PLANNING/DESIGN:  
CONSTRUCTION

STARTING DATE	ENDING DATE
7.1.2008	8.31.2007
9.1.2008	12.20.2013

**JUSTIFICATION:**

The Town Council has established pedestrian safety as a goal. This sidewalk project continues the goal to improve pedestrian safety and walkability of the downtown area. Pedestrian movement north/south across the Avenue of the Fountains is only fully available at Saguaro Blvd. The first project will improve the pedestrian crossing at Ave of the Fountains and La Montana Drive. This is a natural crossing area already being used that requires some upgrading and striping. The second project will provide a mid-block crossing from Ave of the Fountains to the median.

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

**TOWN OF FOUNTAIN HILLS**  
**CAPITAL IMPROVEMENT PROJECT INFORMATION**

**PROJECT TITLE:**

Shea Boulevard Bikelane

**PROJECT DESCRIPTION:**

Bike lane and appurtenances adjacent to the pavement on the south side of Shea Boulevard from Technology Drive to Palisades Boulevard and complete the medians.

**DEPARTMENT:** Public Works

**PROJECT MANAGER:** Randy Harrel

**PROJECT NUMBER:** S 6050

**FUNDING PRIORITY:** High-Finishes a partially completed project

**FUNDING SOURCES(S):**

Capital Projects Fund

<b>FY2008-09</b>	<b>FY2009-10</b>	<b>FY2010-11</b>	<b>FY2011-12</b>	<b>FY2012-13</b>
\$92,000				

**Impact on Operating Budget**

\$0	\$0	\$0	\$0	\$0
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**PROJECT SCHEDULE:**

**ENGINEERING:**

**OCCUPANCY/USE:**

<b>STARTING DATE</b>	<b>ENDING DATE</b>
12.26.2007	7.28.2008
10.6.2008	6.1.2009

**JUSTIFICATION:**

This project was designed a number of years ago, bid and a contractor selected. The Town deposited their matching funds for the project. The contractor ended up in default and never started construction of the project. Some of the funds deposited for construction were used to terminate the contract with the contractor at the direction of ADOT.

Since that time, plans were revised at the request of ADOT and an issue was raised concerning some drainage and right-of-ways. The Town, engineer consultants (Burgess & Niple) and ADOT have been working to resolve all of the outstanding issues on this project.

As a result of project delays and the need to use some of the deposited funds to terminate the first contractor, additional funding of \$92,000 will be necessary to complete the design and construction of the project.

ADOT administers this type of grant project during construction. The Town deposits the funds with ADOT and they pay all bills associated with the project, except change orders.

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

TOWN OF FOUNTAIN HILLS

CAPITAL IMPROVEMENT PROJECT INFORMATION

PROJECT TITLE:	PROJECT DESCRIPTION:				
Traffic Signal--Palisades Boulevard @ Sunridge Drive	Traffic Signal-Palisades Boulevard and Sunridge Drive				
DEPARTMENT: Public Works					
PROJECT MANAGER: Larry J. Woodlan, PE					
PROJECT NUMBER: T 5003					
FUNDING PRIORITY: High-Finishes a partially completed project					
FUNDING SOURCES(S):	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13
Developer Fees	\$255,000				
Impact on Operating Budget	\$3,000	\$3,090	\$3,182	\$3,278	\$3,376
PROJECT SCHEDULE:	STARTING DATE	ENDING DATE			
CONSTRUCTION	7.1.2008	10.6.2008			

**JUSTIFICATION:**

The project was designed in FY 06-07 and bid on November 15, 2007.

The contract for construction was awarded to ITS Engineering and Constructors on February 21, 2008. Ongoing engineering support will be provided by CK Group Inc in FY 2008-09.

There is a long order time for some of the equipment for this project. The project will carry over to FY 2008-2009.

**BUDGET MODIFICATIONS:CARRYFORWARDS:**

The project started construction and was not complete by the end of the fiscal year. \$255,000 approved in FY 2007-08 will be carried forward to FY 2008-09 to complete construction.

**TOWN OF FOUNTAIN HILLS**  
**CAPITAL IMPROVEMENT PROJECT INFORMATION**

<b>PROJECT TITLE:</b> <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> Storm Sewer-Del Cambre (Storm Sewer Rosita to Ashbrook Wash) </div>	<b>DEPARTMENT:</b> Public Works <b>PROJECT MANAGER:</b> <b>PROJECT NUMBER:</b> D 6027	<b>PROJECT DESCRIPTION:</b> <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> Replace an old 8" storm sewer that is insufficient and periodically plugs with 600 lf. of 24" new storm sewer. </div>	<b>FUNDING PRIORITY:</b> Medium-Provides maintenance of existing systems <b>FUNDING SOURCES(S):</b> Capital Projects Fund										
		<table border="0" style="width: 100%;"> <tr> <td style="width: 25%;">FY2008-09</td> <td style="width: 25%;">FY2009-10</td> <td style="width: 25%;">FY2010-11</td> <td style="width: 25%;">FY2008-09</td> <td style="width: 20%;">FY2012-13</td> </tr> <tr> <td colspan="5" style="text-align: center;">\$78,400</td> </tr> </table>	FY2008-09	FY2009-10	FY2010-11	FY2008-09	FY2012-13	\$78,400					
FY2008-09	FY2009-10	FY2010-11	FY2008-09	FY2012-13									
\$78,400													
<b>Impact on Operating Budget</b>		<table border="0" style="width: 100%;"> <tr> <td style="width: 25%;">\$0</td> <td style="width: 25%;">\$0</td> <td style="width: 25%;">\$0</td> <td style="width: 25%;">\$0</td> <td style="width: 20%;">\$0</td> </tr> </table>	\$0	\$0	\$0	\$0	\$0						
\$0	\$0	\$0	\$0	\$0									
<b>PROJECT SCHEDULE:</b> <b>ENGINEERING:</b> <b>CONSTRUCTION:</b>		<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">STARTING DATE</td> <td style="width: 50%;">ENDING DATE</td> </tr> <tr> <td>3.3.2008</td> <td>7.7.2008</td> </tr> <tr> <td>8.11.2008</td> <td>6.22.2009</td> </tr> </table>	STARTING DATE	ENDING DATE	3.3.2008	7.7.2008	8.11.2008	6.22.2009					
STARTING DATE	ENDING DATE												
3.3.2008	7.7.2008												
8.11.2008	6.22.2009												

**JUSTIFICATION:**

There is an original (1974) existing storm sewer from Rosita to the Ashbrook Wash that is to small and plugged with silt. The street floods and water ponds in the street after a rain storm.

The construction of the storm sewer must be done with the Del Cambre sidewalk project.

\$ 0 Design being done by Town staff

\$78,400 Construction

\$ 0 Engineering during construction included in the sidewalk project for Del Cambre

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

**TOWN OF FOUNTAIN HILLS**  
**CAPITAL IMPROVEMENT PROJECT INFORMATION**

**PROJECT TITLE:**

Fountain Hills Blvd @ Oxford Wash Box  
Culverts

**PROJECT DESCRIPTION:**

Install two new 10' X 4' box culverts and appurtenances under Fountain Hills  
Boulevard @ Oxford Wash.  
Phase I - Concept Investigation FY 08-09  
Phase II - Detailed Design FY 14-15  
Phase III - Construction FY 15-16

**DEPARTMENT:** Public Works

**PROJECT MANAGER:**

**PROJECT NUMBER:** D 6028

**FUNDING PRIORITY:** Medium-results in increased efficiency

**FUNDING SOURCES(S):**

Capital Projects Fund

\$15,000

**FY2008-09    FY2009-10    FY2010-11    FY2011-12    FY2012-13**

**Impact on Operating Budget**

\$0

\$0

\$0

\$0

\$0

**PROJECT SCHEDULE:**

**PLANNING/DESIGN:**

**ENGINEERING:**

**CONSTRUCTION**

**STARTING DATE**

10.6.2008

8.11.2014

8.3.2015

**ENDING DATE**

2.9.2009

5.18.2015

6.6.2016

**JUSTIFICATION:**

In FY 96-97 the Town had a Drainage Master Plan prepared for the Town. This project was identified as an improvement that should be made to permit the 100 year storm to flow under Fountain Hills Boulevard.

Fountain Hills Boulevard is a road of regional significance. Staff will investigate the possibility of a grant. The Arizona Department of Transportation/Maricopa Association of Governments grants process takes 5 years from the date of approval until funds are available to a community.

Oxford Wash continues east from Fountain Hills Boulevard to Balboa Wash. Oxford Wash in this area is adjacent to an apartment complex and crosses Kings Way. The Kings Way Crossing is currently a dip crossing.

Phase I of the project is to investigate the down stream improvements that would be required when the box culverts are installed on Fountain Hills Boulevard.

This is a project that could be funded with a stormwater utility.

Below are the original project estimates. The expenses are based on an inflation factor of 4.8% per year from 1997 to 2014 for design and 2015 for construction.

\$ 72,900 Design FY 14-15 (FY 96-97 \$39,100 X 1.864 = \$72,900)  
\$ 375,600 Construction FY 15-16 (FY 96-97 \$196,450 X 1.912 = \$375,600)  
\$ 67,900 Engineering during construction FY 15-16 (FY 96-97 \$35,500 X 1.912 = \$67,900)

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

TOWN OF FOUNTAIN HILLS

CAPITAL IMPROVEMENT PROJECT INFORMATION

<b>PROJECT TITLE:</b>	<b>PROJECT DESCRIPTION:</b>
Desert Vista Park - Phase - 2	Facilities to be included in the project are lighted multi-use athletic fields, playgrounds, a restroom/storage/concession building, picnic and shade ramadas, connecting sidewalks and parking.
<b>DEPARTMENT:</b> Parks and Recreation	
<b>PROJECT MANAGER:</b> Bryan Hagins	
<b>PROJECT NUMBER:</b> FY2017	
<b>FUNDING PRIORITY:</b> High-Priority is a partially completed project	
<b>FUNDING SOURCE(S):</b>	<b>FY2010-10</b> <b>FY2011-11</b> <b>FY2012-12</b> <b>FY2013-13</b>
Capital Projects Fund	\$484,711
Developer Fees	\$184,000
Grant	\$184,771
<b>Impact on Operating Budget</b>	
<b>PROJECT SCHEDULE:</b>	<b>STARTING DATE</b> <b>ENDING DATE</b>
<b>CONSTRUCTION</b>	<b>7.1.2010</b> <b>11.3.2013</b>

**JUSTIFICATION:**

The project began in FY 07-08 and was funded using Development Fees (\$1,002,434), Capital Projects Funds (\$260, 276), a grant from Arizona State Parks Heritage Fund (\$774,920) and a grant from the Arizona Sports & Tourism Authority (\$252,000) totaling \$2,289,630.

Unfortunately, the total project cost is now expected to be \$3,182,193. Therefore, an additional \$892,563 will be needed to complete the project.

The ASP Heritage Grant scope of work requires the entire project to be completed with the exception of parking, while the AZSTA Grant requires the entire scope of work to be completed.

The first of two Guaranteed Maximum Price (GMP) contracts was awarded in FY2007-08 for \$2,099,395; a pre-construction contract was approved for \$32,533; and a Construction Administration services contract was approved for \$144,168, for a total of \$2,276,096.

As a result, it is necessary to appropriate the additional funds to complete the project in FY 08-09 in order to fully comply with the stipulations set forth in both grant funding agreements. A secondary GMP contract in the amount of \$906,097 will be needed to complete the project.

**Funding**

\$ 774,920	Heritage Grant
\$ 252,000	AZSTA
\$1,002,434	P & R Development Fees
\$ 260,276	Capital Projects Funds

It is anticipated that \$1,488,260 will be expended during FY 2007-08 on this project and that \$801,370 will be carried forward to the FY 2008-09 budget. Additional funding of \$892,563 has been proposed in FY 2008-09.

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

\$774,920 Grant - 35% carryforward	\$ 271,222
\$252,000 Grant - 100% carryforward	\$252,000
\$1,002,434 Development Fees - 35% CF	\$ 350,852
\$260,276 Capital Projects funds CF	\$ 72,704
Total	\$ 801,370

TOWN OF FOUNTAIN HILLS

CAPITAL IMPROVEMENT PROJECT INFORMATION

PROJECT TITLE:

Civic Center Courtyard Event Circle

PROJECT DESCRIPTION:

Phase I:Finish Civic Center courtyard with paver bricks to create an event circle between the Community Center and the Library/Museum.

Phase II: Installation of benches and a shade structure.

DEPARTMENT: Public Works

PROJECT MANAGER: Don Thumith

PROJECT NUMBER: F 4011

FUNDING PRIORITY: Low-Provides an expanded level of service

FUNDING SOURCES(S):

FY2008-09

FY2009-10

FY2010-11

FY2011-12

FY2012-13

\$90,000

\$250,000

Capital Projects Fund

Impact on Operating Budget

PROJECT SCHEDULE:

STARTING DATE

ENDING DATE

PLANNING/DESIGN:

CONSTRUCTIONS:

7.1.2008

10.1.2008

8.29.2008

12.5.2008

**JUSTIFICATION:**

In the planned Civic Center Phase 1 project in 2001, the Community Center and the Library/Museum were to have a center court event plaza. However, costs for the project escalated, so a decision was made to leave the plaza unfinished until a future date.

The plaza was envisioned and designed with a surface area of paver bricks or like material and a sun shade sail cloth structure over most of the surface. Its intended use was for an event space managed by the Community Center event staff as a revenue source to the Town as well as a public space for citizens and visitors to enjoy the arts.

Seven years have passed with no improvements to the center court circle, although numerous requests for its use have been received by Community Center Staff and the Facilities Division of Public Works. Town staff's position has been the same, we can not allow use due to the gravel coated surface which would not be ADA compliant.

Two years ago Community Center staff were directed to seek bids for covering the center circle in paver bricks so as to allow it to be usable for leasing events, the best bid came in at \$84,000.

Facilities staff is requesting consideration to finish the event circle in phases, Phase 1 being the paver project in the 08/09 budget with additional improvements such as benches and shade structures in future budgets beginning in the 09/10 budget year. Given the time since last RFP's and material cost increases, Facilities Staff estimates that phase 1 may be completed with a \$90,000 budget.

In conclusion; Finishing the circle will provide citizens of the Town another option for space in planning their events and the Town will finally start receiving revenue from an unused piece of Town property.

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

**TOWN OF FOUNTAIN HILLS**  
**CAPITAL IMPROVEMENT PROJECT INFORMATION**

**PROJECT TITLE:**

Municipal Software

**PROJECT DESCRIPTION:**

Integration of municipal software programs and accounting software to eliminate redundant data entry of transactions, provide public access to financial reports, provide business license reports for economic development and code enforcement, e-government services and upgraded technology.

**DEPARTMENT:** Adminsitration

**PROJECT MANAGER:** Julie Ghetti

**PROJECT NUMBER:** F-4011

**FUNDING PRIORITY:** High-Finishes a partially completed project

**FUNDING SOURCES(S):**

General Fund

Impact on Operating Budget

	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13
	\$200,000	\$200,000			
	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000

**PROJECT SCHEDULE:**

**ACQUISITION:**

STARTING DATE	ENDING DATE
6.1.2008	10.3.2008

**JUSTIFICATION:**

The Town currently uses a financial accounting system that was purchased in 1990 and designed primarily for non profit organizations. Although the software serves the purpose of recording financial transactions the system does not allow for integration of financial information to any other Town software programs. For example, payments made to the Town for programs or building permits are recorded into either the Parks and Recreation software (Active) or building permitting software (PTWin) but the transactions do not transfer to the Town's accounting ledgers. Each cash transaction has to be re-entered into the accounting ledgers daily. Additionally, financial information is limited to the accounting staff; department directors, Council and the public have to wait for reports to be generated or ask for separate reports. The goal of investing in new municipal software is to provide better customer service and transparency by integrating existing programs and new programs so that they can talk to each other and make information available to interested parties. Economic development can be enhanced with a business licensing software that can provide reports by zones, business type, retention, etc. The investment in upgraded technology is significant; however, the benefit to the citizens is improved customer service, more transparency in government, better access to Town services. The proposal for new technology also include a citizen request tracking system, citizen alerts, etc.

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

\$100,000 was budgeted in FY 2007-08 for the first phase of the project.

**TOWN OF FOUNTAIN HILLS**  
**CAPITAL IMPROVEMENT PROJECT INFORMATION**

**PROJECT TITLE:**

Street Maintenance Facility

**PROJECT DESCRIPTION:**

Prepare a master plan for the street department site and construct a Street Maintenance Facility, Storage Building and parking which will serve the Town's future needs. This will replace the existing temporary facility.

Phase I Master Plan

Phase II Design Street Maintenance Facility, Storage Building, etc

Phase III Construction

**DEPARTMENT:** Public Works

**PROJECT MANAGER:**

**PROJECT NUMBER:** F 4002

**FUNDING PRIORITY:** Medium-results in increased efficiency

**FUNDING SOURCES(S):**

Capital Projects Fund

**FY2008-09**   **FY2009-10**   **FY2010-11**   **FY2011-12**   **FY2012-13**

\$17,000   \$130,000   \$733,000

Impact on Operating Budget

\$0   \$0   \$0   \$0   \$0

**PROJECT SCHEDULE:**

**PLANNING/DESIGN:**

**ENGINEERING:**

**CONSTRUCTION**

**STARTING DATE**   **ENDING DATE**

7.7.2008   6.1.2009  
7.6.2009   6.7.2010  
7.5.2010   6.6.2012

**JUSTIFICATION:**

A three phased approach to this project is being proposed. Phase I will be preparation of a conceptual site plan for the one acre Streets Facility site. Phase II will create construction documents and Phase III will commence construction.

The present facility is a converted 16'x60' mobile home purchased in 1992 to serve the needs of Street personnel. Growth of the Town and continually added responsibilities for Street's Staff and age of the mobile home has rendered it inadequate. Operational functions such as wash maintenance, sign production, median/irrigation and traffic signal maintenance, to name a few, will require added floor space to accomplish said duties.

The Town has a metal storage building that had outlived its useful life. Construction of a new storage building to store equipment.

\$ 17,000 Conceptual Plan  
\$130,000 Design  
\$520,000 Construction Street Maintenance Facility  
\$213,000 Storage Building

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

**TOWN OF FOUNTAIN HILLS**  
**CAPITAL IMPROVEMENT PROJECT INFORMATION**

**PROJECT TITLE:**

Fire Station 2 Relocation Project

**PROJECT DESCRIPTION:**

Design and Construction of a new, 5,580 s/f fire station on Town owned property on Shea Blvd., East of Palisades Blvd.  
 This will replace the existing station on Saguaro just south of Shea Blvd.

**DEPARTMENT:** Fire

**PROJECT MANAGER:** Scott La Greca

**PROJECT NUMBER:** F4005

**FUNDING PRIORITY:** High-Health Safety Project

**FUNDING SOURCES(S):**

Capital Projects Fund

**FY2008-09    FY2009-10    FY2010-11    FY2011-12    FY2012-13**

\$364,025    \$1,456,103

**Impact on Operating Budget**

\$0    \$0    \$0    \$0    \$0

**PROJECT SCHEDULE:**

**PLANNING/DESIGN:**

**ENGINEERING:**

**CONSTRUCTION:**

**COMPLETION:**

**OCCUPANCY/USE:**

**STARTING DATE    ENDING DATE**

7.1.2008    4.30.2009  
 7.28.2008    4.30.2009  
 8.3.2009    6.7.2010  
 6.7.2010    7.12.2010  
 7.12.2010    8.2.2010

**JUSTIFICATION:**

We have completed a study of seven sites, two current stations, and five potential locations to improve response times for all areas within the Town (in particular Eagle Mountain, Crestview, Copperwynd, Adero Canyon, Fire Rock, and the Westridge developments). The criteria used: current response times, emergency unit coverage, Town owned property (cost), and sites requiring little or no P&Z or Council action, in said order.

We elected to use 5 minute response 90% (for the entire Town area) of the time vs. the standard 4 minutes that all fire departments strive to reach (the current Rural Metro contract calls for 5 and 8 minute response areas). The logic for this decision was based on the Towns Fire Sprinkler Ordinance of 1966.

The new fire station location will afford superior overlapping coverage for both fire stations, which will equitably distribute and balance call volume, thus allowing better call support for multiple calls. This will also enhance the Insurance Service Organization (ISO) station location rating.

Upon completion of this project, the current station 2 may be retained by the Town for its future needs or sold and the funds returned to the CIP fund.

This project has been under study and development since 2003.

**BUDGET MODIFICATIONS: CARRYFORWARDS:**

# **Vehicle Replacement Program Policy and Procedure 5 Year Schedule**

### **Objective**

To provide a policy and procedures for the development, approval, and implementation of the Town of Fountain Hills' twenty (20) year Vehicle Replacement Program (VRP).

### **Scope**

This policy applies to all vehicles owned by the Town of Fountain Hills that meet the definition detailed in the definitions section.

### **Policy**

The purpose of the Vehicle Replacement Program is to provide an authoritative decision-making process for the evaluation, selection, and multi-year scheduling of vehicle replacements based on a projection of available fiscal resources and the vehicles age, mileage, engine hours and repair costs. The objectives of the program are to:

- Ensure the timely purchase, repair and replacement of the Town's vehicles;
- Serve as a link in the Town's planning between the Town's operating and capital budgets;
- Maintain control over the Town's long-term cash flow in relation to the Town's financial capacity; and
- Ensure efficient, effective and coordinated vehicle acquisition and replacement.

### **Definitions**

The following words when used in connection with this policy shall have the following meanings:

**VEHICLE REPLACEMENT PROGRAM:** A multi-year planning document that is the product of a systematic evaluation of vehicle utilization, repair and maintenance. This plan serves as a guide for the efficient and effective replacement of vehicles, outlining a detailed timeline and financing schedule of vehicle replacement for a twenty (20) year period.

**VEHICLE:** A vehicle is defined in financial terms as a piece of rolling stock with a projected final cost of at least \$10,000 and a useful life of at least 7 years. Vehicles shall be subdivided into various classifications as follows:

- Sedans
- Sports Utility Vehicle (SUV)
- Light Duty Truck
- Medium Duty Truck
- Heavy Duty Truck
- Passenger Van
- Street Sweeper
- Fire Ladder Truck
- Fire Pumper Truck
- Utility Vehicle/Bunker Rake
- Backhoe
- Loader/Grader/Tractor
- Gator
- Dump Truck
- Trailer

### **PROCESS**

- A. Schedule: Annually, the Public Works Director and Finance Director will submit an updated VRP to the Town Manager for review in February of each fiscal year. The Town Manager will review the proposal and forward the approved VRP to the Finance Director in March for inclusion in the Town's CIP budget proposal.
- B. Format: The Public Works Director will utilize the previous year's approved VRP as the base for developing recommended additions, deletions, or changes for incorporation in the updated VRP for the ensuing year. All new (not replacement) vehicle requests will also include a comprehensive estimate of the impact of the new vehicle on the Town's annual operating budget; e.g., fuel, maintenance requirements, etc.
- B. Finance Review: The Finance Director will assist the Public Works Director as necessary in all facets of the Vehicle Replacement Program development and review including production of cost estimates, as well as an overall financial analysis of the proposed program. Additional assistance may be requested to help produce draft documents, etc.
- C. Town Manager Review: The Public Works Director will provide a copy of the proposed VRP document to the Finance Director and Town Manager for review and comment. Following approval by the Town Manager the VRP will be incorporated into the CIP budget proposal for the coming year.
- D. Implementation: Upon adoption of the VRP in the operating budget, vehicles included within the applicable budget year may be purchased by the Public Works Director, or his/her designee in compliance with the Town's Purchasing Policy.
- E. Amendments: The adopted VRP may be amended upon recommendation of the Public Works Director and approval of the Town Manager and Town Council.

#### PROCEDURE:

- A. Form: The New Vehicle Request form (listed as Attachment A) shall be utilized to request inclusion of a new (not replacement) vehicle in the Vehicle Replacement Plan. Department Directors may request the addition of a new vehicle to the VRP by submitting their request to the Public Works Director in January as part of the budget process.
- The Public Works Director shall include these requests in the VRP that is submitted to the Finance Director and Town Manager.
- B. Funding Prioritization: As part of the VRP development process, the Public Works Director shall create vehicle replacement priorities to help determine the vehicle replacement schedule which will be incorporated in the five (5) year and twenty (20) year VRP.

The following guidelines shall be utilized:

Sedans	10 years/100,000 miles
Sports Utility Vehicle (SUV)	10 years/100,000 miles
Light Duty Truck	10 years/100,000 miles
Medium Duty Truck	12 years/125,000 miles
Heavy Duty Truck	12 years/125,000 miles
Passenger Van	12 years/100,000 miles
Street Sweeper	7 years/75,000 miles
Fire Ladder Truck	15 years/100,000 miles
Fire Pumper Truck	15 years/100,000 miles
Utility Vehicle/Bunker Rake	12 years/100,000 miles
Backhoe	20 years/15,000 engine hours

Loader/Grader/Tractor	20 years/15,000 engine hours
Gator	12 years/15,000 engine hours
Dump Truck	15 years/125,000 miles
Trailer	10 years

In addition to the factors listed above, the Public Works Director, or his/her designee shall also review the utilization, maintenance records of the vehicles, downtime and the overall condition of the vehicles when making recommendations for replacement.

C. Funding Sources: The primary funding sources for the VRP are the General Fund and Streets Fund. Revenues for the Vehicle Replacement Fund will also be generated from the replacement charges applied against the operating funds that support the departments that utilize the subject vehicles. Surplus sale proceeds and insurance claim proceeds will also be deposited to the Vehicle Replacement Fund to help offset future vehicle and equipment costs.

D. Vehicle Disposal: At least once annually, the Public Works Director, or his/her designee shall prepare a list of vehicles to be retired from the Town's fleet. The Town Manager shall authorize the sales of these vehicles at Auction by signing over the vehicle title(s). The Public Works Director, or his/her designee shall then transport the vehicles to the Auctioneer and shall be responsible to insure that payment on the vehicles is made to the Vehicle Replacement Fund.

#### RESPONSIBILITY FOR ENFORCEMENT

The Town Manager, Finance Director and Public Works Director will be responsible for ensuring that this policy is followed and/or updated as necessary.

#### **Fiscal Year 2008-2009 Vehicle Replacement Recommendation**

In fiscal year 2008-2009, two vehicles are proposed for replacement.

The first vehicle is currently assigned to the Fire Department and will be used by the Assistant Chief/Fire Marshall. The vehicle is expected to exceed 10 years/100,000 miles by the end of the fiscal year and is being recommended for replacement by Fleet Operations. The new vehicle will be outfitted for mountain rescue and off road use.

The second vehicle proposed for replacement is the Town Van which is currently shared by the Recreation Department and the Senior Activity Center. The Van does not meet the Town's replacement criteria, but is being recommended for replacement for two reasons. The first reason is that a grant is anticipated from Senior Services, Inc which will provide for half of the vehicle funding. The second reason for the request is that the Town does not currently own a van which fully meets the needs of the Senior Activity Center. The Van being proposed will make access for elderly or handicapped users easier and will be able to accommodate wheelchair storage. Purchase of this vehicle is contingent on the Town's receipt of the outside grant funding. If the funding does not materialize, the van is scheduled for replacement in fiscal year 2012-2013.

## Vehicle Inventory

Department	Equipment No.	Description	Type	Year	Odometer	Schedule
Building Safety	B-106	Chevrolet Silverado Pickup	Light Duty Truck	2001	36,312	10 years/100,000 miles
Building Safety	B-138	Ford Escape Hybrid	SUV	2006	15,069	10 years/100,000 miles
Building Safety	B-143	Ford Escape Hybrid	SUV	2006	4,864	10 years/100,000 miles
Building Safety	B-148	Ford Escape Hybrid	SUV	2008	26	10 years/100,000 miles
Fire	E-822	American LaFrance	Pumper Truck	1998	86,773	15 years/100,000 miles
Fire	E-823	Crimson	Pumper Truck	2008	2,000	15 years/100,000 miles
Fire	F-198	Serro Trailer	E.D.I.T.H. House	1995	0	non-replaceable
Fire	F-204	Ford F-550 SUV	Heavy Duty Truck	2001	26,212	12 years/125,000 miles
Fire	F-911	Ford F-150	Light Duty Truck	1998	81,413	10 years/100,000 miles
Fire	L-822	American LaFrance	Ladder Truck	1999	57,119	15 years/100,000 miles
Fire	F-040	Ford Expedition	SUV (New)	2002	93,000	10 years/100,000 miles
Fire	F-668	Ford Explorer	SUV	2001	57,394	10 years/100,000 miles
Fountain Park	P-11	John Deere 4x2 Gator	Gator	2007	109	12 years/15,000 hours
Four Peaks	P-12	John Deere 4x2 Gator	Gator	2007	113	12 years/15,000 hours
Four Peaks	P-9	John Deere 4x2 Gator	Gator	1998	2,834	12 years/15,000 hours
Four Peaks	PR-141	Ford F-150	Light Duty Truck	2007	5,958	10 years/100,000 miles
Four Peaks	PR-146	Ford F-150 Pickup	Light Duty Truck	2007	1,673	10 years/100,000 miles
Golden Eagle	BR-02	John Deere 1200A Golden	Bunker Rake	1999	2,284	12 years/15,000 hours
Golden Eagle	P-8	John Deere 4x2 Gator	Gator	1998	4,886	12 years/15,000 hours
Golden Eagle	P-10	John Deere 4x2 Gator	Gator	1998	2,624	12 years/15,000 hours
Golden Eagle	P-13	Mule KAP400A7	Utility Vehicle	2007	113	12 years/15,000 hours
Golden Eagle	P-14	Kubota KU	Tractor/Loader	2007	113	20 years/15,000 hours
Golden Eagle	PR-103	Ford F-150 Pickup	Light Duty Truck	1995	78,986	10 years/100,000 miles
Golden Eagle	PR-142	Ford F-250 Pickup	Light Duty Truck	2007	6,053	10 years/100,000 miles
Golden Eagle	PR-147	Ford F-150 Pickup	Light Duty Truck	2007	12	10 years/100,000 miles
Desert Vista	PR-105	Ford F-150 Pickup	Light Duty Truck	1997	53,035	10 years/100,000 miles

## Vehicle Inventory

Department	Equipment No.	Description	Type	Year	Odometer	Schedule
Recreation Rec - 10% share	PR-137	Ford Crown Victoria	Sedan	2001	29,811	10 years/100,000 miles
	SS-121	Chevrolet Van	Van	2000	40,628	12 years/125,000 miles
Seniors -90% share	SS-121	Chevrolet Van	Van	2000	40,628	12 years/125,000 miles
Planning & Zoning Planning & Zoning Planning & Zoning	PZ-107	Ford Crown Victoria	Sedan	2001	51,954	10 years/100,000 miles
	PZ-108	Ford Crown Victoria	Sedan	2000	66,222	10 years/100,000 miles
	PZ-149	Ford Escape Hybrid	SUV	2008	4	10 years/100,000 miles
Facilities	PW-101	Dodge 1500 Pickup	Light Duty Truck	1999	21,639	10 years/100,000 miles
Public Works Public Works Public Works Public Works Public Works	PW-112	Chevrolet S-10 Blazer	SUV	2001	56,274	10 years/100,000 miles
	PW-125	Chevrolet S-10 Blazer	SUV	1999	75,476	10 years/100,000 miles
	PW-140	Ford Escape Hybrid	SUV	2007	9,816	10 years/100,000 miles
	PW-144	Ford Escape Hybrid	SUV	2007	2,069	10 years/100,000 miles
	PW-145	Ford F-150 Supercab	Light Duty Truck	2007	6,525	10 years/100,000 miles
Streets Streets Streets Streets Streets Streets Streets Streets Streets Streets Streets Streets Streets Streets	S-12	John Deere Tractor	Tractor	1993	6,767	20 years/15,000 hours
	S-132	Chevrolet Crew Cab Pickup	Light Duty Truck	2000	60,279	10 years/100,000 miles
	S-133	Ford F-150 Pickup	Light Duty Truck	2001	44,717	10 years/100,000 miles
	S-134	Ford F-550 Pickup	Heavy Duty Truck	2005	17,403	12 years/125,000 miles
	S-135	Freightliner M2106	Dump Truck	2005	10,277	15 years/125,000 miles
	S-139	Schwartz A9000 Sweeper	Sweeper	2006	6,459	7 years/75,000 miles
	S-150	Freightliner Sweeper	Sweeper	2007	56	7 years/75,000 miles
	S-151	Ford F-450 Pickup	Heavy Duty Truck	2008	0	12 years/125,000 miles
	S-20	Caterpillar 426C	Backhoe	1999	3,844	20 years/15,000 hours
	S-25	Cimline 105/205	Cracksealer	2001	2,508	10 years
	SE-05	Caterpillar 21B	Roller	1993	833	20 years/10,000 hours

# **Debt Services Funds**

## Debt Service Funds

The Debt Service Funds provide for the payment of interest, principal, and related costs on General Obligation (GO) Bonds, Highway User Revenue Fund bonds and Municipal Property Corporation (MPC) Revenue bonds. There are three General Obligation bond issues outstanding that were approved by the voters for specific purposes. The first GO bond issue in 1991 (refunded in 1995) was to pave roads that remained unpaved at the time of incorporation. Additional GO bonds issued in 1999 and 2000 were for the construction of a library/museum and community center. Bonds issued in 2001 were for the purchase of mountain preservation land in the McDowell mountains. Total General Obligation bond principal and interest payments for fiscal year 2008/2009 are \$1,340,363 and will be paid through a levy of Town property. The Summary/Schedules section includes an itemization of the outstanding debt as of June 30, 2008.

### DEBT SERVICE-320

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
<b>REVENUE:</b>					
<b>Property Tax Revenue:</b>					
Secondary Property Tax	1,325,581	1,232,781	1,400,000	1,330,000	1,350,000
Interest Earnings	30,407	25,786	1,400	800	1,500
<b>TOTAL REVENUES</b>	<b>\$1,355,988</b>	<b>\$1,258,567</b>	<b>\$1,401,400</b>	<b>\$1,330,800</b>	<b>\$1,351,500</b>
<b>EXPENDITURES:</b>					
<b>General Obligation Bonds:</b>					
Bond Payment - GO	281,870				
Bond Payment - Lakeside	87,800				
Bond Payment - Library/Museum	304,750				
Bond Payment - Mtn Bonds GO	330,000				
Refunded Bonds-Principal	515,000	1,360,294	1,388,100	1,389,596	1,188,057
Refunded Bonds-Interest					148,057
Trustee, Admin and Report Fees	4,250	4,250	4,250	4,250	4,250
<b>TOTAL EXPENDITURES</b>	<b>\$1,523,670</b>	<b>\$1,364,544</b>	<b>\$1,392,350</b>	<b>\$1,393,846</b>	<b>\$1,340,364</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>(167,682)</b>	<b>(105,977)</b>	<b>9,050</b>	<b>(63,046)</b>	<b>11,136</b>
Fund Balance Beginning of Year	\$0	\$202,347	\$149,304	\$96,370	\$33,324
Ending Fund Balance	(\$167,682)	\$96,370	\$158,354	\$33,324	\$44,460

The Highway User Revenue Fund (HURF) Bond principal and interest payment is \$115,850 for fiscal year 2008-2009 and will be paid from HURF revenues received during the year. The Eagle Mountain Community Facilities District debt payments are levied on the property owners within the district. These obligations are paid by the Fountain Hills' property owners using secondary property taxes, less any credits, carry-forward and/or interest earnings. Below is the schedule of Debt Service payments required for next fiscal year, including a breakdown of the debt service payments for FY08-09 and ending fund balance. The annual property tax levy is based on the total amount required for the payment (with adjustments for carry-forward, delinquencies, etc.) divided by the total assessed valuation for the Town of Fountain Hills. The Town's secondary assessed property valuation for fiscal year 2008-2009 is estimated to be \$684,742,347 for the upcoming year and the estimated levy is \$0.22 per \$100 of assessed value.

## Municipal Properties Corporation (MPC) Fund Revenues and Expenditures Summary

The Municipal Property Corporation owns the land and buildings purchased through bond proceeds (McDowell Mountain preserve, Community Center and Town Hall). The annual debt payment on the bonds is paid for with proceeds from the dedicated portion of the local sales tax and is included as a transfer from the Excise Sales Tax. The debt payment for the Community Center will be transferred from the General Fund and is included within the Community Center budget. Any fund balance in this fund may be used only to retire the debt on the bonds. When the bonds are retired any assets owned by the MPC are turned over to the Town.

### MUNICIPAL PROPERTY CORP-350

	FY 2005-2006 Actual	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2008 Est Actual	FY 2008-2009 Proposed
<b>REVENUES:</b>					
Excise Tax Transfers (.2%)	843,492	832,576	628,562	628,562	591,718
Excise Tax Transfers (.1%)	421,746	448,673	314,281	314,281	295,859
Transfer from Community Center	387,000	387,000	387,000	387,000	387,000
Interest	34,658	45,619	40,000	40,000	30,000
<b>TOTAL REVENUES</b>	<b>\$1,686,896</b>	<b>\$1,713,868</b>	<b>\$1,369,843</b>	<b>\$1,369,843</b>	<b>\$1,304,577</b>
<b>EXPENDITURES:</b>					
<b>MPC Debt Service</b>					
Mountain Bond Payment (.2%)	595,000	416,818	415,000	415,005	402,005
Civic Center Phase II Bonds (.1%)	246,637	266,438	315,000	298,338	318,388
MPC - Community Center	387,000	239,169	387,000	255,419	245,419
Refunded Bonds	0	265,924	179,350	320,412	371,675
<b>TOTAL EXPENDITURES</b>	<b>\$1,228,637</b>	<b>\$1,188,348</b>	<b>\$1,296,350</b>	<b>\$1,289,173</b>	<b>\$1,337,486</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>458,259</b>	<b>525,520</b>	<b>73,493</b>	<b>80,670</b>	<b>(32,909)</b>
Fund Balance Beginning of Year	\$278,310	\$736,569	\$1,004,795	\$1,262,089	\$1,342,759
Ending Fund Balance	<b>\$736,569</b>	<b>\$1,262,089</b>	<b>\$1,078,288</b>	<b>\$1,342,759</b>	<b>\$1,309,850</b>

## Schedule of Outstanding Debt – June 30, 2008

Bond Type	Purpose of Issue	Date of Bond Issue	Interest Rate	Date of Maturity	Original Principal Amount	Principal Amount Retired	Amount Refunded	Outstanding Principal
GO	Refunding	11/1/1995	5.30	7/1/2010	\$2,455,000	\$1,200,000	\$1,255,000	\$0
GO	Library/Museum	6/1/2000	5.50	7/1/2014	\$3,700,000	\$1,750,000	\$1,675,000	\$275,000
GO	Land Acq-Lake	8/1/1999	5.10	7/1/2014	\$1,400,000	\$700,000	\$500,000	\$200,000
GO	Mtn. Bonds	12/1/2001	4.90	7/1/2020	\$6,000,000	\$1,700,000	\$3,425,000	\$875,000
GO	Refunding	6/1/2005	4.00	7/1/2019	\$7,225,000	\$1,005,000	\$0	\$6,220,000
TOTAL					\$24,310,000	\$7,430,000	\$9,310,000	\$7,570,000
Rev	Refunding	8/1/1998	4.63	7/1/2010	\$1,075,000	\$840,000	\$0	\$235,000
Rev	Comm. Center	7/1/2000	5.40	7/1/2020	\$4,680,000	\$1,325,000	\$2,475,000	\$880,000
Rev	Mtn. Bonds	12/1/2001	4.70	7/1/2021	\$7,750,000	\$2,040,000	\$3,910,000	\$1,800,000
Rev	Civic Center	12/1/2004	4.50	7/1/2019	\$3,645,000	\$605,000	\$0	\$3,040,000
Rev	Refunding	6/1/2005	4.15	7/1/2019	\$5,330,000	\$260,000	\$0	\$5,070,000
TOTAL					\$23,680,000	\$5,010,000	\$7,385,000	\$11,025,000
SA	Eagle Mtn-A	6/1/1996	6.50	7/1/2021	\$4,435,000	\$410,000	\$4,025,000	\$0
SA	Eagle Mtn-B	6/1/1996	7.25	7/1/2021	\$470,000	\$40,000	\$430,000	\$0
SA	Eagle Mtn	7/12/2005	3.95	7/1/2021	\$4,555,000	\$485,000	\$0	\$4,070,000
SA	Improvmts	6/16/1999	5.25	7/1/2009	\$32,276	\$29,048	\$0	\$3,228
TOTAL					\$9,492,276	\$964,048	\$4,455,000	\$4,073,228
GRAND TOTAL					<u>\$57,482,276</u>	<u>\$13,404,048</u>	<u>\$21,150,000</u>	<u>\$22,668,228</u>

### Computation of Legal Debt Margin: Fiscal Year 2008-2009

The Arizona Constitution provides that the general obligation bonded indebtedness for a municipality for general municipal purposes may not exceed six percent (6%) of the secondary assessed valuation of the taxable property in that city or town. In addition to the six percent limitation for general municipal purpose bonds, municipalities may issue general obligation bonds up to an additional twenty percent (20%) of the secondary assessed valuation for supplying water, artificial light, or sewers, and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities.



### Net secondary assessed valuation

\$

**\$684,742,347**

General Municipal Purpose Bonds		Water, Sewer, Light, Parks, Open Space and Recreational Facility Bonds	
Debt limit - 6% of secondary net assessed valuation	\$41,084,541	Debt limit - 20% of secondary net assessed valuation	\$136,948,469
Less Direct Bonded Debt	<u>(\$985,000)</u>	Less Direct Bonded Debt	<u>(\$6,585,000)</u>
Unused 6% Borrowing Capacity	<u>\$40,099,541</u>	Unused 20% Borrowing Capacity	<u>\$130,363,469</u>

### **Eagle Mountain Community Facilities District**

Formed in 1995, the District is a special purpose taxing District and separate political subdivision under Arizona statutes. As such, the District can levy taxes and issue bonds, independent of the Town of Fountain Hills. Property owners within the District boundaries pay the debt service due on the District's bonds through the levy of a secondary property tax. By law, and by the proceedings of the District, the definition of debt service on the bonds includes all costs and expenses of the District, in addition to principal and interest expenses. Town staff serves as District staff and administers the District and the costs of their services are reimbursed by District funds. The Fountain Hills Town Council also serves as the District Board of Directors. The District is one of the Town of Fountain Hills' component units for the fiscal year ended June 30, 2008.

During FY05-06 the District refinanced the bonds to take advantage of interest rate savings and surplus revenues. The summary below is a breakdown of the debt service payments for FY08-09, ending fund balance and estimated tax levy per \$100 of assessed valuation.

#### **EAGLE MOUNTAIN COMMUNITY FACILITIES DISTRICT**

##### **Annual Statement of Estimates of Expenses**

	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Actual</b>	<b>FY 2007-2008 Budget</b>	<b>FY 2007-2008 Est Actual</b>	<b>FY 2008-2009 Proposed</b>
<b>REVENUE:</b>					
Property Tax Revenue	\$366,683	\$194,274	\$350,000	\$340,000	\$375,000
Town of Fountain Hills Reimbursement	\$50,000	\$0	\$0	\$0	\$0
Investment Earnings	\$20,671	\$9,183	\$10,000	\$4,000	\$4,000
<b>TOTAL REVENUES</b>	<b>\$437,354</b>	<b>\$203,457</b>	<b>\$360,000</b>	<b>\$344,000</b>	<b>\$379,000</b>
<b>EXPENDITURES:</b>					
Debt Service	\$577,145	\$331,659	\$350,235	\$350,235	\$368,760
Administrative Fees	\$6,600	\$6,600	\$6,600	\$6,600	\$6,600
Trustee Fees	\$5,000	\$1,000	\$1,000	\$1,000	\$1,000
<b>TOTAL EXPENDITURES</b>	<b>\$588,745</b>	<b>\$339,259</b>	<b>\$357,835</b>	<b>\$357,835</b>	<b>\$376,360</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>(\$151,391)</b>	<b>(\$135,802)</b>	<b>\$2,165</b>	<b>(\$13,835)</b>	<b>\$2,640</b>
Fund Balance Beginning of Year	\$306,100	\$154,709	\$18,907	\$21,072	\$7,237
<b>Ending Fund Balance</b>	<b>\$154,709</b>	<b>\$18,907</b>	<b>\$21,072</b>	<b>\$7,237</b>	<b>\$9,877</b>

Tax levy is estimated to be \$0.90 per \$100 of assessed valuation.

**Summary of Tax Levy and Tax Rate Information**  
**TOWN OF FOUNTAIN HILLS, ARIZONA**  
**Summary of Tax Levy and Tax Rate Information**  
**Fiscal Year 2008-09**

	<u>2007-08</u> <u>FISCAL YEAR</u>	<u>2008-09</u> <u>FISCAL YEAR</u>
1. Maximum allowable primary property tax levy A.R.S. §42-17051(A).	\$ <u>0</u>	\$ <u>0</u>
2. Amount received from primary property taxation in the 2002-03 fiscal year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18).	\$	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>0</u>	\$ <u>0</u>
B. Secondary property taxes	<u>1,400,000</u>	<u>1,330,000</u>
C. Total property tax levy amounts	\$ <u>1,400,000</u>	\$ <u>1,330,000</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) 2003-04 levy	\$	
(2) Prior years' levy		
(3) Total primary property taxes	\$	
B. Secondary property taxes		
(1) 2007-08 levy	\$ 1,330,000	
(2) Prior years' levy		
(3) Total secondary property taxes	\$ 1,330,000	
C. Total property taxes collected	\$ 1,330,000	
5. Property tax rates		
A. Town tax rate		
(1) Primary property tax rate	<u>0.0000</u>	<u>0.0000</u>
(2) Secondary property tax rate (estimate)	<u>0.2124</u>	<u>0.2213</u>
(3) Total city/town tax rate	<u>0.2124</u>	<u>0.2213</u>
B. Special assessment district tax rates		

Secondary property tax rates - As of the date the proposed budget was prepared, the town was operating two (2) special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the town.

\*Includes actual property taxes collected as of the date the proposed budget was prepared plus estimated property tax collections for the remainder of the fiscal year.

## TOWN OF FOUNTAIN HILLS ASSESSED VALUATION

1998 - 2008

<u>Tax Year</u>	<u>Primary</u>	<u>% Change</u>	<u>Secondary</u>	<u>% Change</u>
1998	\$133,721,181	19.1%	\$146,943,730	26.3%
1999	\$160,963,931	20.4%	\$174,760,640	18.9%
2000	\$190,102,361	18.1%	\$212,415,476	21.5%
2001	\$220,229,137	15.8%	\$238,714,537	12.4%
2002	\$247,151,729	12.2%	\$270,602,866	13.4%
2003	\$282,800,857	14.4%	\$323,385,230	19.5%
2004	\$319,213,464	12.9%	\$349,398,334	8.0%
2005	\$350,557,588	9.8%	\$375,183,181	7.4%
2006	\$377,041,563	7.6%	\$397,380,162	5.9%
2007	\$443,618,807	17.7%	\$610,738,122	53.7%
2008	\$512,051,406	15.4%	\$684,742,347	12.1%

**Budget Process**  
**Financial Policies**  
**Budget Schedule**

### **Mission of the Budget Process**

Communication and involvement with citizens and other stakeholders is stressed. The broad nature of the budget mission allows issues to be addressed that have limited the success of budgeting in the past. Apathy is a serious illness of government; it is in the best interests of government to have involved stakeholders.

The term stakeholder refers to anyone affected by or who has a stake in government. This term stakeholder includes, but is not limited to: citizens, customers, elected officials, management, employees and their representatives, businesses, vendors, other governments, and the media. It is vital that the budget processes include diverse stakeholders.

Each year the Town of Fountain Hills budget is developed from the Town Council's priorities by the Finance Department with the individual departments and the Town Manager. Meetings with each department, the Town Manager and the Finance Department are held during the month of March. After these meetings are completed, a proposed balanced budget is prepared for submittal to the full Town Council and public in May.

### **Recommended Budget Practices**

The Town of Fountain Hills budget process is designed to meet citizens' needs for information and input; decision makers' needs for information and advice from citizens on their desired blend of services; and the time line set by the State of Arizona through Arizona Budget Law.

The Town of Fountain Hills budget process incorporates the recommended practices promulgated by the National Advisory Council on State and Local Budgeting (NACSLB). Concurrently, Town staff apply diligent effort into improving the processes, decisions and outcomes with each new budget year. The NACSLB's practices encourage governments to consider the long term consequences of actions to ensure that impacts of budget decisions are understood over a multi-year planning horizon and to assess whether program and service levels can be sustained.

### **Budget Definition**

All cities and towns in Arizona are required to adopt an annual budget. State law dictates that fiscal years begin on July 1 and end on June 30. Certain parts of the budget document such as summaries of revenues and expenditures showing two years of spending history are required by State law.

A good budget process is characterized by several essential features:

- Incorporates a long-term perspective
- Establishes linkages to broad goals
- Focuses budget decisions on results and outcomes
- Involves and promotes effective communication with stakeholders
- Provides incentives to government management and employees

These key characteristics of good budgeting make clear that the budget process is not simply an exercise in balancing revenues and expenditures one year at a time, but is strategic in nature, encompassing a multi-year financial and operating plan that allocates resources on the basis of identified goals. A good budget process moves beyond the traditional concept of line-item expenditure control, providing incentives and flexibility to managers that can lead to improved program efficiency and effectiveness.

### **Principles and Elements of the Budget Process**

The budget process consists of four broad principles that stem from the definition and mission previously described. These principles encompass many functions that spread across a governmental organization. They reflect the fact that development of a balanced budget is a political and managerial process that also has financial and technical dimensions. Each of the principles of the budget process incorporates components or elements that represent achievable results. These elements help translate the guiding principles into action components. Individual budgetary practices are derived from these elements. The principles and elements provide a structure to categorize budgetary practices.

Establish broad goals to guide government decision-making – a government should have broad goals that provide overall direction for the government and serve as a basis for decision-making.

- ♦ Assess community needs, priorities, challenges and opportunities.
- ♦ Identify opportunities and challenges for governmental services, capital assets, and management
- ♦ Develop and disseminate broad goals
- ♦ Develop approaches to achieve goals – a government should have specific policies, plans, programs, and management strategies to define how it will achieve its long-term goals.
- ♦ Adopt financial policies
- ♦ Develop programmatic, operating, and capital policies and plans
- ♦ Develop programs and services that are consistent with policies and plans
- ♦ Develop management strategies
- ♦ Develop a budget consistent with approaches to achieve goals – a financial plan and budget that moves toward achievement of goals, within the constraints of available resources, should be prepared and adopted.
- ♦ Develop a process for preparing and adopting a budget
- ♦ Develop and evaluate financial options
- ♦ Make choices necessary to adopt a budget
- ♦ Evaluate performance and make adjustments – program and financial performance should be continually evaluated, and adjustments made, to encourage progress toward achieving goals.
- ♦ Monitor, measure, and evaluate performance
- ♦ Make adjustments as needed

### **When does the “budget season” start?**

The budget process typically begins in January when the Finance Department begins to review current levels of service, Council goals and objectives as identified at the annual Council retreat, proposed capital improvements, and financial forecasts.

In reality, the budget process for the Town is actually an ongoing process. Throughout the fiscal year, citizens and staff submit suggestions for new services, regulations, funding sources, and improved service delivery, as well as concerns to the Town Council and commissions for discussion, study, and/or implementation. Advisory boards and commissions develop plans for new or enhanced programs to be included in the following year’s budget proposal.

### **Implementing, Monitoring, and Amending the Budget**

A budget is an annual planning tool - it identifies the Town’s work plan and matches the financial, material, and human resources available with the requirements to complete the

work plan. It includes information about the organization and identifies the Council policy that directed the budget preparation. Although a budget is often discussed as a financial document, the financial portion means very little without the policy and administrative information that explains what the organization intends to do with the financial resources.

In July, the Town staff begins the process of implementing the newly adopted budget and is accountable for budgetary control throughout the fiscal year. Revenue and expenditure patterns are examined, compared to budget plans, and corrective action, if necessary, is taken during the fiscal year. Town management is provided with a monthly budget and activity report; the Town Council is provided a summary budget report at the end of each quarter disclosing actual revenue, expenditure, and fund balance performance as compared to the budget.

The Town of Fountain Hills budget is adopted at a department level and the Capital Improvement Plan is adopted at a project level. Control of each legally adopted annual budget is at the department level; the Town Manager may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditure (line items) within a department. The items are reduced by a like amount. At the request of the Town Manager, the Council may transfer any unencumbered appropriation balance or portion thereof between one department to another.

Pursuant to Arizona Revised Statutes, "No expenditure shall be made for a purpose not included in such budget..". Thus a Contingency line item is included within the General Fund to accommodate most unplanned expenditures. The other option in amending the budget, according to state law, is for the Council to declare an emergency and then transfer the monies from one line item or department to another. In essence, any approved Council transfers do amend the budget although the budget is never reprinted. All transfers are reflected on the following year's legal schedules as required by the Auditor General's Office.

### **Budgetary and Accounting Basis**

The budget is prepared on a modified accrual basis of accounting for all fund types. This means that expenditures are recorded when the related fund liability is incurred, and revenues are recognized only when they are measurable and available. In all cases, when goods and services are not received by year-end, the encumbrances lapse. It also means certain transactions are recognized in the budget on a basis other than Generally Accepted Accounting Principles (GAAP), which is the basis used to prepare the Town's Comprehensive Annual Financial Report (CAFR). The major differences between the budgetary and GAAP basis are:

Certain revenues, expenditures and transfers are not included on the budget basis, but are accrued and reported on the GAAP basis. For example, increases or decreases in compensated absences are not reported for budget basis purposes, but are presented as revenues or expenditures on the GAAP basis.

Depreciation is not budgeted as an expenditure in budgetary accounting  
Capital outlay is an expenditure in budgetary accounting and an asset in GAAP  
Certain debt service principal and interest payments are accounted for as expenses in the General Fund for budget basis purposes, but are reported as expenses in the Debt Service Fund on the GAAP basis.

All actual amounts in the budget document are shown on the budgetary basis to facilitate

meaningful comparisons.

### **What funds are included in this budget?**

The accounts of the Town are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The Town of Fountain Hills appropriates all funds in its budget process:

General Fund – revenues and expenditures to carry out basic governmental activities such as police and fire, recreation, planning, legal services, administrative services, etc. (non-restricted).

Special Revenue Funds – revenues derived from specific taxes or other earmarked revenue sources, usually required by statute or ordinance to finance particular activities. Highway User Revenue Fund (HURF) and grants are examples of special revenue funds (restricted by statute).

Excise Tax Revenue Funds – designated for bond payments for mountains, Civic Center phase II project, and downtown development (restricted by legislative action).

Debt Service Funds – established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Municipal Property Corporation (MPC) and Community Facilities District (CFD) funds are included within the debt service funds.

Capital Projects Funds – to account for the purchase or construction of major capital facilities, heavy equipment, park improvements and major road improvements. The Capital Project Fund revenues are derived from excess General Fund revenues and 85% of the construction related local sales tax.

### **Operating and Capital Budget Relationship**

Included within the annual budget is a Capital Project Fund, presented on a budget basis. Capital project budget funding sources are matched with budgeted expenditures. Governmental accounting procedures require adequate budget to pay for an entire contract to be available and appropriated in the period in which a contract is entered; therefore, expenditures are presented on a budget basis as opposed to cash flow basis. For example, a 180 day construction contract entered into in May of fiscal year one would have cash expenditures from May of fiscal year one through October of fiscal year two, however, the entire budget for this contract must be appropriated in fiscal year one, the year in which the contract was entered; any unspent funds at fiscal year-end are carried forward and budgeted again in year two.

### **When can a citizen have input into the budget process?**

Town staff welcomes comments and suggestions throughout the year. The first opportunity for the Town Council to contribute to the budget is during the annual goal setting retreat held in January. The proposed budget is presented to the public and Town Council in May at which time a public hearing is held to receive input. This is the opportunity to increase the budget for the next fiscal year before the maximum spending amount is established. Once the maximum spending amount is adopted as the tentative budget, line items can only be exchanged or decreased prior to the budget's final adoption.

## **Town of Fountain Hills Financial Policies**

The principles of sound financial management establish the framework for overall fiscal planning and management. The principles set forth guidelines for both current activities and long range planning. Following these principles will enhance the Town's financial health as well as its image and credibility with its citizens, the public in general, bond rating agencies and investors. The policies will be reviewed annually to assure the highest standards of fiscal management. Policy changes will be needed as the Town continues to grow and becomes more diverse and complex in the services it provides, as well as the organization under which it operates to provide these services to its citizens. The Town Manager and staff have the primary role of reviewing and providing guidance in the financial area to the Town Council.

The overall financial goals underlying these principles are:

Fiscal Conservatism: to ensure that the Town is at all times in a solid financial condition, defined as:

- cash solvency – the ability to pay bills

- budgetary solvency – the ability to balance the budget

- long run solvency – the ability to pay future costs

- service level solvency – the ability to provide needed and desired services

- adhering to the highest accounting and management practices as set by the

Government Finance Officers' Association standards for financial reporting and budgeting, by the Governmental Standards Board and other professional standards

One time capital costs are paid for with one time revenues

To maintain an Aa3 or better bond rating in the financial community to assure the

Town taxpayers that the Town government is well managed and financially sound.

To have the ability to withstand local and regional economic fluctuations, to adjust to changes in the service requirements of our community, and to respond to changes in Federal and State priorities and funding as they affect the Town's residents.

To deliver quality services in an affordable, efficient and cost-effective basis providing full value for each tax dollar.

### **Fund Balance Policy**

Fund balance is defined as the cumulative difference of all revenues and expenditures, also considered the difference between fund assets and fund liabilities, known as fund equity. Fund balance is an important indicator of the Town's financial position and adequate reserves must be maintained to allow the Town to continue providing services to the community during periods of economic downturns and/or unexpected emergencies or requirements.

The level of Fund Balance is related to the degree of uncertainty that the Town faces. A prudent level of financial resources is necessary to protect against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. With the Town dependency upon State Shared Income and State Sales

Tax revenues for one third of the General Fund budget, there is increased opportunity for fluctuation. Additionally, a significant portion of Town revenue is received from sales taxes – both state shared and local - which are sensitive to fluctuations in the economy. Therefore, the level of reserves needs to be sufficient to ensure stability in on-going government operations during a slowdown in the economy or legislative changes to the revenue sharing formula.

Other objectives that influence the size of the fund balance are:

- preserving or improving the Aa3 bond rating
- maintaining a positive trend to historical fund balances
- maintaining a rating equal to or better than surrounding communities
- maintaining ratios consistent with desired outcomes of ten key ratios of financial condition (Government Finance Review, Dec. 1993)

### **General Fund Balance**

The Town fund balance consists of three (3) components, defined below. In order to satisfy the objective of maintaining a bond rating equal to or better than surrounding peer communities a fund balance of at least 30% of revenues is recommended. The three components added together will help achieve the 30% goal.

Guidelines:

In order to achieve the objectives of this policy, and to maintain sufficient working capital and a comfortable margin of safety to address emergencies and unexpected declines in revenue without borrowing, the following guidelines shall be adhered to by the Town Manager, staff and Town Council:

Undesignated unreserved fund balance – designated for unanticipated expenditure or loss of revenue, the Town of Fountain Hills' undesignated unreserved fund balance in the General Fund at the end of any fiscal year will be equal to no less than 30 days of annual operating expenditures for the upcoming fiscal year. This contingency will provide for the temporary financing of an unforeseen nature for that year. Expenditures for these emergency or unforeseen appropriations can only be undertaken with Town Manager approval and only if funds are not available in the department requesting the contingency funding. Expenditures exceeding \$20,000 will require Council approval. This contingency will expire at the end of each fiscal year and any unused balance will be included with the funds available for appropriation in the following fiscal year.

Designated unreserved fund – the Town will maintain a designated unreserved fund balance in the General Fund of a minimum ten percent (10%) of the average actual General Fund revenues for the preceding five fiscal years. These reserves will be designated for “pay-as-you-go” capital replacement expenditures, equipment replacement, capital projects, prepay existing Town debt, or any other expenditure that is non-recurring in nature. The 10% is the minimum and is based on the Property and Equipment Replacement Schedule, which may be increased to accelerate accumulation funds for a large capital expenditure. To the extent these reserves are expended, additional funds necessary to restore this additional ten percent (10%) amount will be provided in at least approximately equal contributions during the five fiscal years following the fiscal year in which the event occurred. The designated General Fund Balance can only be authorized for expenditure upon recommendation of the Town Manager and vote of the Town Council.

Reserved Fund Balance – the Town will maintain a reserved fund balance in the General Fund of 20% of the average actual General Fund revenues for the preceding five fiscal years, indicating stable fiscal policies. The maintenance of this fiscal balance is a particularly important factor considered by credit rating agencies in their evaluation of the credit worthiness of the Town. It is of primary importance that the Town's credit rating be protected.

During the annual budget process the Town Manager will estimate the surplus or deficit for the current year and prepare a projection of the year-end undesignated general fund balance. Such projection will include an analysis of trends in fund balance levels on an historical and future projection basis.

Funds in excess of the fund balance goal will be retained in the undesignated unreserved General Fund Balance, and may be considered to supplement "pay as you go" capital outlay expenditures, or may be used to prepay existing Town debt. These funds may not be used to establish or support costs that are recurring in nature.

The undesignated unreserved, designated unreserved and reserved fund balance will be established each fiscal year during the budget process depending on planned expenditures but cannot exceed accumulated revenues. This policy will be reviewed by the Town Manager every three years following adoption or sooner at the direction of the Town Council.

#### **Special Revenue Funds**

The Highway User Revenue Fund (HURF) is a restricted fund and depends upon State Shared Revenues for over 90% of annual revenues. This fund may only be used for street and highway purposes. The combined undesignated unreserved, designated unreserved and reserved Fund Balance will be based on the minimum requirement as specified in the Property and Equipment Replacement Schedule. The schedule will be reviewed on an annual basis to determine the required amount to be set aside as designated unreserved Fund Balance.

The Excise Tax (.4% of Local Sales Tax) Fund is a restricted fund dedicated to Downtown Development, Civic Center and mountain bonds. The combined undesignated unreserved, designated unreserved and reserved Fund Balance will be no less than the annual debt service payment for Land Preservation and prior year available funds for Downtown Development.

#### **Debt Service Funds**

The Debt Service Fund is established for the payment of principal and interest on bonded indebtedness. Revenues are derived from a property tax levy, pledged excise taxes, municipal property lease payments and shared revenues. Revenues are received in amounts sufficient to pay the annual debt service payment, therefore, the undesignated unreserved, designated unreserved and reserved Fund Balance will be no less than the annual debt service payment due on July 1 of the new fiscal year.

#### **Development Fee Funds**

The Capital Project Funds includes accumulated Development Fees that are assessed on new construction for the purpose of funding growth. These funds are restricted to growth-related capital expenditures. The Development Fees must be expended within six years of collection or refunded to the taxpayer.

### **Capital Project Funds**

Capital projects include all equipment and facilities with a useful life of greater than ten years and a cost greater than \$50,000. These purchases are made with one time revenues derived from the construction portion of the local sales tax.

### **Financial Planning**

Fiscal planning refers to the process of identifying resources and allocating those resources among competing purposes. The primary vehicle for this planning is the preparation, monitoring and analysis of the Town's budget. It is increasingly important to monitor the performance of the programs competing to receive funding.

The Town Manager shall submit to the Town Council a proposed annual budget, with their recommendations, and shall execute the budget as finally adopted, pursuant to Section 15.1-602 of the Arizona Revised Statutes, as amended. The Town will budget revenues and expenditures on the basis of a fiscal year which begins July 1 and ends on the following June 30. The Town Council will adopt the budget no later than June 30.

The Town will prepare a budget in accordance with the guidelines established by the Government Finance Officers Association in its Distinguished Budget Award Program. The proposed budget will contain the following:

- Revenue estimates by major category, by major fund;
- Expenditure estimates by department levels and major expenditure category, by major fund;
- Estimated fund balance by major fund;
- Debt service by issue detailing principal and interest amounts by fund.
- Proposed personnel staffing levels;
- A detailed schedule of capital projects, including a capital improvement program;
- Any additional information, data, or analysis requested of management by the Town Council.

The operating budget will be based on the principle that current operating expenditures, including debt service, will be funded with current revenues creating a balanced budget. The Town will not balance the current budget at the expense of meeting future years' expenditures; for example accruing future years' revenues or rolling over short-term debt to avoid planned debt retirement.

Ongoing operating costs should be supported by ongoing, stable revenue sources. This protects the Town from fluctuating service levels, and avoids crises when one-time revenues are reduced or removed. Revenues from growth or development should be targeted to costs related to development, or invested in improvements that will benefit future residents or make future service provision efficient.

The Town Manager will provide an estimate of the Town's revenues annually for each fiscal year. The estimates of special (grant, excise tax, etc.) revenues and interfund transfers will also be provided by the Town Manager.

The budget will fully appropriate the resources needed for authorized regular staffing. At no time shall the number of regular full-time employees on the payroll exceed the total number of full-time positions authorized by the Town Council. All personnel actions shall

be in conformance with applicable federal and state law and all Town ordinances and policies.

The Town Manager shall provide annually a budget preparation schedule outlining the preparation timelines for the proposed budget. Budget packages for the preparation of the budget, including forms and instructions, shall be distributed to Town departments in a timely manner for the department's completion. Department Directors shall prepare and return their budget proposals to the Administration Department, as required in the budget preparation schedule.

Performance measurement indicators will be integrated into the budget process as appropriate.

Alternatives for improving the efficiency and effectiveness of the Town's programs and the productivity of its employees will be considered during the budget process. Duplication of services and inefficiency in service delivery should be eliminated wherever they are identified.

Department Directors are required to monitor revenues and control expenditures to prevent exceeding their total departmental expenditure budget. It is the responsibility of these department directors to immediately notify the Town Manager of any exceptional circumstances that could result in a departmental expenditure budget to be exceeded.

A quarterly report on the status of the General Fund budget and trends will be prepared within 60 days of the end of each quarter by the Administration Department. In addition, the quarterly report shall include revenue and expenditure projections through the end of the fiscal year.

If a deficit is projected during any fiscal year, the Town will take steps to reduce expenditures, increase revenues or, if a deficit is caused by an emergency, consider using the undesignated unreserved General Fund Balance, to the extent necessary to ensure a balanced budget at the close of the fiscal year. The Town Manager may institute a cessation during the fiscal year on hirings, promotions, transfers, and capital equipment purchases. Such action will not be taken arbitrarily and without knowledge and support of the Town Council.

### **Expenditure Control**

Management must ensure compliance with the legally adopted budget. In addition, purchases and expenditures must comply with legal requirements.

Expenditures will be controlled by an annual budget at the departmental level. The Town Council shall adopt appropriations through the budget process. Written procedures will be maintained for administrative approval and processing of certain budget transfers within funds.

The Town will maintain a purchasing system that provides needed materials in a timely manner to avoid interruptions in the delivery of services. All purchases shall be made in accordance with the Town's purchasing policies, guidelines and procedures and applicable state and federal laws. The Town will endeavor to obtain supplies, equipment and services as economically as possible.

Expenditures will be controlled through appropriate internal controls and procedures in processing invoices for payment.

The Town shall pay applicable contractor invoices in accordance with the requirements of Arizona Revised Statutes 34-221.

The State of Arizona sets a limit on the expenditures of local jurisdictions. The Town will comply with these expenditure limitations and will submit an audited expenditure limitation report, audited financial statements, and audited reconciliation report as defined by the Uniform Expenditure Reporting System (A.R.S. Section 41-1279.07) to the State Auditor General each year.

Assets will be capitalized at \$10,000 and will be recorded in the Town of Fountain Hills Summary of General Fixed Assets.

### **Revenues and Collections**

All government employees are considered stewards of public funds. In order to provide funding for service delivery, the Town must have reliable revenue sources. These diverse revenues must be collected equitably, timely, and efficiently.

The Town's goal is a General Fund revenue base that is equally balanced between sales taxes, state shared revenues, property tax, service fees and other revenue sources.

The Town will strive for a diversified and stable revenue base to shelter it from economic changes or short-term fluctuations and in any one revenue source by doing the following:

- Establishing new charges and fees as needed and as permitted by law at reasonable levels.

- Pursuing legislative change, when necessary, to permit changes or establishment of user charges and fees.

- Aggressively collecting all revenues, late penalties, outstanding taxes owed and related interest as authorized by the Arizona Revised Statutes.

The Town will monitor all taxes to insure they are equitably administered and collections are timely and accurate. Fees and charges should be based on benefits and/or privileges granted by the Town, or based on costs of a particular service.

The Town should pursue intergovernmental aid for those programs and activities that address a recognized need and are consistent with the Town's long-range objectives. Any decision to pursue intergovernmental aid should include the consideration of the following:

- Present and future funding requirements.

- Cost of administering the funds.

- Costs associated with special conditions or regulations attached to the grant award.

The Town will attempt to recover all allowable costs--both direct and indirect--associated with the administration and implementation of programs funded through intergovernmental aid. In the case of the School District, the Town may determine to recover less than full cost of services provided. In the case of State and Federally mandated programs, the Town will attempt to obtain full funding for the service from the governmental entity requiring the service be provided. Allowable costs will be determined based upon a "Cost Allocation

Study” prepared periodically.

Local sales tax revenues are derived from several sources with a significant portion from construction related activity. To ensure that the revenues from growth or development are targeted to costs related to development, or invested in improvements that will benefit future residents or make future service provision efficient the Town will designate 85% of those one-time revenues to the Capital Projects Fund. At the end of each fiscal year these revenues will be transferred from the General Fund to the Capital Projects Fund for future appropriation.

### **User Fees Cost Recovery**

User fees and charges are payments for voluntarily purchased, publicly provided services that benefit specific individuals. The Town relies on user fees and charges to supplement other revenue sources in order to provide public services.

The Town may establish user fees and charges for certain services provided to users receiving a specific benefit.

User fees and charges will be established to recover as much as possible the direct and indirect costs of the program or service, unless the percentage of full cost recovery has been mandated by specific action of the Town Council. It is recognized that occasionally competing policy objectives may result in reduced user fees and charges that recover a smaller portion of service costs.

Periodically, the Town will recalculate the full costs of activities supported by user fees to identify the impact of inflation and other attendant costs.

### **Debt Policy**

The purpose of this debt policy is to provide for the preservation and enhancement of the Town’s bond ratings, the maintenance of adequate debt service reserves, compliance with debt instrument covenants and provisions and required disclosures to investors, underwriters and rating agencies. The overall debt management policy of the Town of Fountain Hills is to ensure that financial resources are adequate in any general economic situation to not preclude the Town’s ability to pay its debt when due.

These policies are meant to supplement the legal framework of public debt laws provided by the Arizona Constitution, State Statutes, Federal tax laws and the Town’s current bond resolutions and covenants. The Arizona Constitution limits a city or town’s bonded debt capacity (outstanding principal) to certain percentages of the Town’s secondary assessed valuation by the type of project to be constructed. There is a limit of 20% of secondary assessed valuation for projects involving water, sewer, artificial lighting, parks, open space, and recreational facility improvements. There is a limit of 6% of secondary assessed valuation for any other general-purpose project.

### **General**

The Town will use current revenues to pay for short-term capital projects, repair and maintenance items and will reserve long-term debt for capital improvements with useful lives of ten (10) years or more. The Town will not use long-term debt to fund current governmental operations and will manage its cash in a fashion that will prevent any borrowing to meet working capital needs. However, exclusive reliance upon pay-as-you-go funds for capital improvements requires existing residents to pay for improvements that will benefit new

residents who relocate to the area after the expenditure is made. Financing capital projects with debt provides for an “intergenerational equity”, as the actual users of the capital asset pay for its cost over time, rather than one group of users paying in advance for the costs of the asset. Where there is a benefit to all future residents, debt financing should be given consideration.

To increase its reliance on current revenue to finance its capital improvements, and promote a “pay-as-you-go” philosophy, the Town will appropriate each year a percentage of current revenues to maintain a minimum 10% of average actual General Fund revenues for the preceding five fiscal years in the Designated Unreserved Fund.

### **Capital Improvement Plan**

As part of the budget process each year the Town will prepare a capital spending plan that provides a detailed summary of specific capital projects for the five fiscal years subsequent to the fiscal year presented. The plan will include the name of the project, project schedule, capital cost by fiscal year and a recommended specific funding source. The five-year capital improvement plan will be developed within the constraints of the Town’s ability to finance the plan.

The Town Manager and Department Directors will develop formal ranking criteria that will be used in the evaluation of all capital projects. The program ranking criteria will give greatest weight to those projects which protect the health and safety of its citizens. Pay-as-you-go project financing shall be given the highest priority. Capital improvements that must rely upon debt financing shall be accorded a lower priority and projects with a useful life of less than five years shall not be eligible for inclusion in bond issues.

Lease purchase financing shall be discouraged and only be undertaken when the project is considered essential to the efficient operation of the Town or to remove expenditures that would exceed the State imposed expenditure limitation. The Town Manager or designee shall determine that pay-as-you-go expenditures do not cause the state imposed expenditure limitation to be exceeded in any fiscal year.

All capital project requests will be accompanied by a description of the sources of funding to cover project costs. Where borrowing is recommended, a dedicated source of funds to cover debt service requirements must be identified. All capital project requests will be required to identify any impact the project may have on future operating costs of the Town. The Town will seek grants to finance capital improvements and will favor those projects which are likely to receive grant money.

All capital project appropriations and amendments to the capital improvement plan must be approved by the Town Council.

The capital plan will include all equipment and facilities with a useful life of greater than ten years and a cost greater than \$50,000. Debt financing shall not exceed the useful life of the infrastructure improvement or asset.

## **Financing Alternatives**

Financing alternatives are listed below but are not limited to:

- Grants
- Developer Contributions
- General Obligation Bond – requires voter approval, supported by an ad valorem (property) tax
- Revenue Bonds – repaid with revenue stream (HURF, revenue generated by project)
- Municipal Property Corporation Bonds – repaid with a dedicated revenue source
- CFD or Special District Bonds – supported by an ad valorem property tax
- Capital Leases – repaid within operating budget
- Commercial Paper (CP) or Bond Anticipation Notes (BAN) with terms less than two years

Town Debt Service costs (GO, Revenue Bonds, MPC, Leases) shall not exceed 20% of the Town's operating revenue in order to control fixed costs and ensure expenditure flexibility. Improvement District (ID), Community Facility District (CFD) and Special District debt service is not included in this calculation because it is paid by district property owners and is not an obligation of the general citizenry. Separate criteria have been established and included within the Town's CFD policy.

In accordance with requirements of the State of Arizona Constitution, total bonded debt will not exceed the 20% limitation and 6% limitation of the total secondary assessed valuation of taxable property in the Town.

The Town shall comply with all U.S. Internal Revenue Service arbitrage rebate requirements for bonded indebtedness.

Where applicable, the Town will structure General Obligation bond issues to create level debt service payments over the life of the issue. The goal will be to strive for a debt repayment schedule to be no more than fifteen (15) years; at no time will the debt exceed twenty-five (25) years.

Refunding bonds will be measured against a standard of the net present value debt service savings exceeding 3% of the principal amount of the bonds being refunded, or if savings exceed \$750,000, or for the purposes of modifying restrictive covenants or to modify the existing debt structure to the benefit of the Town. Refinancings undertaken for other reasons should proceed only when the advantages have been clearly shown in a cost/benefit analysis of the transaction.

The Town will seek to maintain and, if possible, improve the current bond rating in order to minimize borrowing costs and preserve access to credit.

An analysis showing how a new issue combined with current debt impacts the Town's debt capacity and conformance with Town debt policies will accompany every future bond issue proposal. The debt capacity analysis should reflect a positive trend and include:

- Percent of debt outstanding as a percent of the legal debt limit
- Measures of the tax and revenue base
- Evaluation of trends relating to expenditures and fund balance
- Debt service as a percentage of assessed valuation
- Measures of debt burden on the community

Tax-exempt market factors affecting interest costs  
Debt ratios

Municipal Property Corporation and contractual debt, which is non-voter approved, will be utilized only when a dedicated revenue source (e.g. excise taxes) can be identified to pay debt service expenses. The project to be financed will generate net positive revenues (i.e., the additional revenues generated by the project will be greater than the debt service requirements).

The Town's privilege tax to debt service goal will be a ratio of at least 3.5:1 to ensure the Town's ability to pay for long term debt from this elastic revenue source.

### **Issuance of Obligations**

The Town shall select the underwriter and the paying agent/registrar for each debt issuance based on competitive bid. The underwriter must be a firm domiciled in Arizona with an office in the Phoenix area and a record of prior working relationships.

The request for proposals process will be designed to select the service providers that offer the Town the best combination of expertise and price. The Town is not required to select the firm offering the lowest price, but a report must be prepared by the Town Manager providing justification to the Town Council for a recommendation when other than the lowest bidder is chosen. The review of all proposals submitted shall be the responsibility of the Town Manager.

The Town of Fountain Hills will use competitive sales as the primary means of selling new General Obligation or Revenue bonds that are repaid through ad valorem (property) taxes. Negotiated sales will be permitted for all other debt issues when it is expected to result in a lower true interest cost than would a competitive sale of that same date and structure or there is evidence of volatile market conditions, complex security features, or another overriding factor.

The Town Manager or designee and Town Attorney will coordinate their activities to ensure that all securities are issued in the most efficient and cost-effective manner and in compliance with the Town's governing statutes and regulations. The Manager and the Town Attorney shall consult and jointly select the bond counsel for a bond issue. The Town Attorney will review all documents related to the issuance of securities by the jurisdiction.

The Town will seek a rating on all new issues which are being sold in the public market if economically feasible.

The Town will report on an annual basis all financial information and/or notices of material events to the rating agencies and Nationally-Recognized Municipal Securities Information Repositories (NRMSIR's). The annual report will include but not be limited to the Town's annual Comprehensive Annual Financial Report (CAFR).

The Town will require any institution or individual investing monies as an agent for the Town to do so in a manner consistent and in compliance with the Town's adopted Investment Policy.

The Town will provide detailed draw schedules for any project to be funded with borrowed monies. The Town will invest the proceeds or direct a trustee to invest the proceeds of all

borrowings in a manner that will ensure the availability of funds as described in the draw schedules.

The Town acknowledges the responsibilities of the underwriting community and pledges to make all reasonable efforts to assist underwriters in their efforts to comply with SEC Rule 15c2-12 and MSRB Rule G-36.

The Town of Fountain Hills' capital improvement program ranking criteria will give greatest weight to those projects, which protect the health and safety of its citizens. Pay-as-you-go project financing shall be given the highest priority. Capital improvements that must rely upon debt financing shall be accorded a lower priority. All capital project requests will be accompanied by a description of the sources of funding to cover project costs. Where borrowing is recommended, the source of funds to cover debt service requirements must be identified. All capital project requests will be required to identify any impact the project may have on future operating costs of the Town.

Department Directors will submit a detailed description of the useful life of capital projects submitted in conjunction with the preparation of the Town's CIP. Projects with a useful life of less than ten years shall not be eligible for inclusion in bond issues. The Manager shall incorporate an estimate of the useful life of proposal capital improvements in developing an amortization schedule for each bond issue. If a short-lived asset or project (less than ten years) is included in a bond issue, then the bond amortization schedule shall be adjusted to reflect the asset's rapid depreciation. At no time shall the amortization exceed the life of the asset.

#### **How do I get more information?**

All requests for public information in the Town of Fountain Hills are handled by the Town Clerk's office. For additional information about the Town of Fountain Hills, please call (480) 816-5100 or visit the Town's website [www.fh.az.gov](http://www.fh.az.gov) and click on the Administration Department icon.

**Schedule of  
Authorized Positions  
And  
Pay Plan**

## Schedule of Authorized Positions

Position – Title	2006-2007 Authorized FTE	2007-2008 Authorized FTE	2008-2009 Proposed FTE
<b>Court</b>			
Presiding Judge	1.00	1.00	1.00
Court Administrator	1.00	1.00	1.00
Senior Court Clerk	1.00	1.00	1.00
Court Clerk	2.00	2.00	2.00
<b>Authorized FTE</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>
<b>Administration</b>			
Town Manager	1.00	1.00	1.00
Assistant Town Manager	1.00	0.00	0.00
Assistant to the Town Manager	0.00	1.00	1.00
Finance Director	1.00	1.00	1.00
H/R Administrator/Risk Manager	1.00	1.00	1.00
Town Clerk	1.00	1.00	1.00
Economic Development Specialist	1.00	0.00	0.00
Public Information Officer	0.00	1.00	1.00
I/T Coordinator	1.00	1.00	1.00
Executive Asst to Town Mgr/Council	1.00	1.00	1.00
Accountant	1.00	0.00	0.00
Accounting Supervisor	0.00	1.00	1.00
Accounting/HR Clerk	0.00	0.00	0.00
Administrative Assistant	1.00	1.00	1.00
Customer Service Rep	0.50	1.00	1.00
Accounting Clerk	1.00	1.00	1.00
Administrative Clerk	0.00	0.00	0.00
Receptionist	0.50	0.00	0.00
Volunteer Coordinator	0.00	0.50	0.50
Administrative Intern	0.50	0.00	0.00
Economic Development Intern	0.50	0.00	0.00
I/T Intern	0.50	0.50	0.00
I/T Technician	0.00	0.00	0.50
<b>Authorized FTE</b>	<b>13.00</b>	<b>13.00</b>	<b>13.00</b>
<b>Building Safety</b>			
Chief Building Official	1.00	1.00	1.00
Senior Building Inspector	1.00	0.00	0.00
Plans Examiner	2.00	2.00	2.00
Building Inspector	2.00	3.00	3.00
Building Permit Technician	3.00	2.00	2.00
<b>Authorized FTE</b>	<b>9.00</b>	<b>8.00</b>	<b>8.00</b>

## Schedule of Authorized Positions

Position – Title	2006-2007 Authorized FTE	2007-2008 Authorized FTE	2008-2009 Proposed FTE
<b>Public Works</b>			
Public Works Director	1.00	1.00	1.00
Town Engineer	1.00	1.00	1.00
Senior Civil Engineer	0.00	0.00	0.00
Civil Engineer	2.00	2.00	2.00
Senior Civil Engineer Inspector	1.00	1.00	0.00
Facilities Supervisor	1.00	1.00	1.00
Civil Engineer Inspector	1.00	1.00	2.00
Open Space & Landscape Spec.	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00
Facilities Maintenance Tech	1.00	1.00	1.00
Maintenance/Custodial Worker	0.50	0.50	0.50
Custodian	1.00	1.00	1.00
Authorized FTE	11.50	11.50	11.50
<b>Street</b>			
Assistant Public Works Director	1.00	0.00	0.00
Street Superintendent	1.00	1.00	1.00
Street Maintenance Supervisor	0.00	0.00	0.00
Fleet Mechanic	1.00	1.00	1.00
Fleet Equipment Mechanic	0.00	0.00	0.00
Traffic Signal Technician I	0.00	0.00	1.00
Traffic Signal Technician II	0.00	0.00	1.00
Street Maintenance Tech	8.00	8.00	6.00
Authorized FTE	11.00	10.00	10.00
<b>Planning &amp; Zoning</b>			
P&Z Director	0.00	1.00	1.00
P & Z Administrator	1.00	0.00	0.00
Senior Planner	1.00	1.00	1.00
Planner	1.00	2.00	1.00
Planner - Environmental	0.00	0.00	1.00
GIS Technician/CAD Operator	2.00	2.00	2.00
Senior Code Enforcement Officer	0.00	1.00	1.00
Code Enforcement Officer	3.00	2.00	2.00
Planning Technician	0.50	0.00	0.00
Planning Assistant	1.00	1.00	0.00
Executive Assistant	0.00	0.00	1.00
Authorized FTE	9.50	10.00	10.00

# Schedule of Authorized Positions

Position – Title	2006-2007 Authorized FTE	2007-2008 Authorized FTE	2008-2009 Proposed FTE
<b>Parks &amp; Recreation</b>			
Parks & Recreation Director	0.50	1.00	1.00
Recreation Supervisor	1.00	1.00	1.00
Parks Supervisor	1.00	1.00	1.00
Rec. Program Coordinator	2.00	2.00	2.00
Park Operations Lead	3.00	3.00	4.00
Executive Assistant	1.00	1.00	1.00
Groundskeeper	2.00	2.00	2.00
Recreation Assistant	4.00	4.00	4.00
Customer Service Representative	1.00	1.00	1.00
Recreation Aide	1.00	1.00	1.00
Recreation Intern	0.50	0.50	0.50
Park Ranger	0.00	2.00	1.00
Authorized FTE	17.00	19.50	19.50
<b>Law Enforcement</b>			
Emergency Mgmt Coord	0.00	0.00	0.00
Authorized FTE	0.00	0.00	0.00
<b>Community Center</b>			
Comm Ctr Director	0.50	1.00	1.00
Comm Ctr Supervisor	1.00	0.00	0.00
Comm Ctr Operations Supervisor	1.00	1.00	0.00
Comm Ctr Events Coordinator	0.00	0.00	1.00
Comm Ctr Operations Coordinator	0.00	0.00	1.00
Executive Assistant	1.00	1.00	1.00
Volunteer Coordinator	0.50	0.00	0.00
Receptionist	0.00	0.50	0.50
Event Representative/Operations Support	2.00	2.00	1.50
Operations Support Assistant	0.50	0.50	0.50
Bartender	0.00	0.25	0.25
Custodian	1.00	1.00	0.50
Authorized FTE	7.50	7.25	7.25
<b>Senior Services</b>			
Senior Services Supervisor	1.00	1.00	1.00
Administrative Assistant	0.00	0.50	0.00
Senior Services Activities Coordinator	0.00	0.00	0.50
HDM/Special Programs Admin	0.50	0.00	0.00
HDM Coordinator	0.50	0.50	0.50
Senior Services Assistant	0.00	0.50	0.50
Receptionist	0.50	0.50	0.50
Senior Aide	1.00	0.50	0.50
Authorized FTE	3.50	3.50	3.50
Total Authorized FTE	87.00	87.75	87.75

### **Pay Plan**

The Town Council last adopted the pay plan for the Town of Fountain Hills in June 2007. It is imperative that the salary ranges for each position be updated on a regular basis to remain competitive in the market. Consequently, the Human Resources division has surveyed the salary ranges from competing towns and cities for like positions. The information from those surveys has resulted in the proposed pay plan for the 2008-09 fiscal year.

### **Explanation of the Pay Plan**

All Town positions, except that of Town Manager and Presiding Judge, are classified and covered in the pay plan.

Persons shall be recruited into the municipal service at the appropriate salary within that position, according to experience and/or market demand.

Advancement within the salary range shall be obtained on the basis of merit.

Human Resources recommends incremental increases based on the performance evaluation written by the employee's supervisor. The Town Manager is authorized to place the salary of each employee at a rate of pay within the salary range for the position title to which said employee is assigned. The rates of pay so established for various employees shall be effective at the time of review.

Increases may be granted after six months of service and annually thereafter.

The Town Manager shall make whatever administrative regulations, not inconsistent with the plan or the ordinances of the Town of Fountain Hills, he/she deems necessary, for the effective administration of the plan.

Employees in section 1 are exempt and are not eligible for any overtime compensation.

Employees in section 2 are non-exempt and therefore entitled to overtime compensation.

The pay plan shall be reviewed annually.

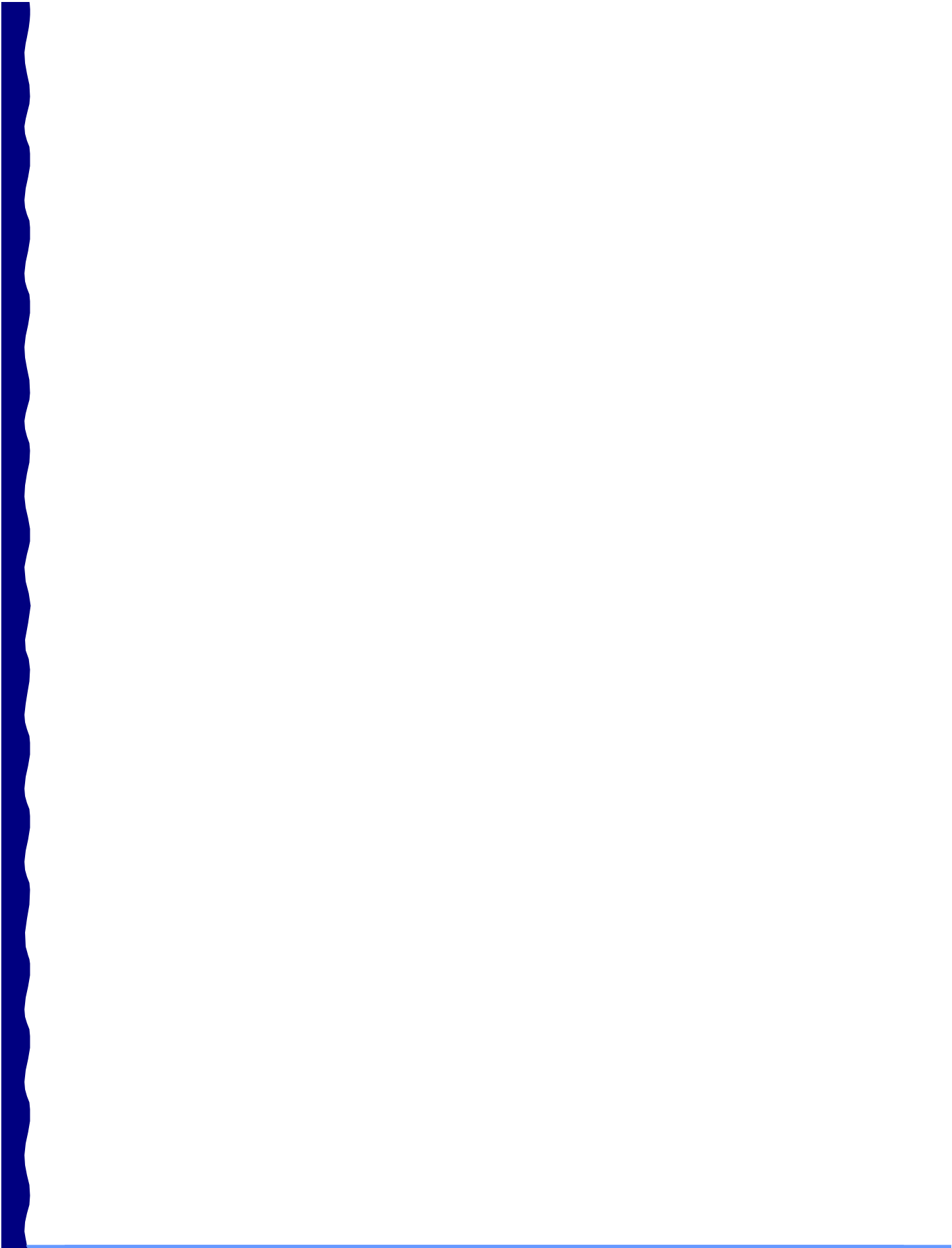
The minimum and maximum rates and the ranges constituting the salary range of a position title shall supersede any previously adopted for said title.

### Exempt Positions

Position Title	Minimum	Maximum	Previous Range
Public Works Director	77,542	110,273	77,124 - 109,678
Finance Director	77,542	110,273	74,886 - 106,495
Town Engineer	75,283	107,060	68,504 - 97,420
Planning & Zoning Director	73,265	104,190	66,293 - 94,275
Parks & Recreation Director	72,277	102,785	67,268 - 95,662
Assistant to the Town Manager	70,304	99,979	65,864 - 93,665
Human Resources Administrator/Risk Manager	68,082	96,819	64,072 - 91,117
Court Administrator	65,864	93,665	64,072 - 91,117
Town Clerk	58,419	83,078	56,285 - 80,043
Senior Planner	56,193	79,912	54,891 - 78,061
Community Center Director	55,219	78,527	54,891 - 78,061
Chief Building Official	54,891	78,061	54,891 - 78,061
Recreation Supervisor	52,056	74,029	48,610 - 69,128
Street Superintendent	52,056	74,029	49,687 - 70,660
Public Information Officer	51,906	73,816	51,529 - 73,279
Accounting Supervisor	51,906	73,816	42,629 - 60,623
Parks Supervisor	51,106	72,678	47,371 - 67,366
Information Technology Coordinator	48,610	69,128	48,610 - 69,128
Executive Assistant to Town Manager/Council	46,000	65,417	43,357 - 61,658
Planner	44,998	63,992	44,998 - 63,992
Planner - Environmental	44,998	63,992	
Senior Services Supervisor	43,642	62,063	42,629 - 60,623
Facilities Supervisor	42,806	60,874	40,733 - 57,926
Community Center Event Coordinator	39,253	55,821	39,253 - 55,821
Recreation Program Coordinator	39,253	55,821	37,920 - 53,926
Community Center Operations Coordinator	35,676	50,735	

### Non-Exempt Positions

Position Title	Minimum	Maximum	Previous Range
Civil Engineer	26.05	37.05	26.05 - 37.05
Plans Examiner	21.90	31.14	21.90 - 31.14
Building Inspector	20.97	29.82	20.97 - 29.82
GIS Technician/CAD Operator	20.39	29.00	20.39 - 29.00
Traffic Signal Technician II	20.39	29.00	
Civil Engineer Inspector	19.54	27.79	19.54 - 27.79
Senior Code Enforcement Officer	19.54	27.79	19.54 - 27.79
Code Enforcement Officer	18.16	25.83	17.89 - 25.44
Park Operations Lead	17.89	25.44	17.89 - 25.44
Open Space/Landscape Specialist	17.89	25.44	17.89 - 25.44
Information Technology Technician	17.89	25.44	
Traffic Signal Technician I	17.57	24.99	
Executive Assistant	17.17	24.42	15.98 - 22.73
Fleet Mechanic	16.56	23.55	16.56 - 23.55
Facilities Maintenance Technician	16.56	23.55	15.98 - 22.73
Building Permit Technician	16.13	22.94	15.04 - 21.39
Senior Court Clerk	15.47	22.00	15.04 - 21.39
Park Ranger	15.47	22.00	17.89 - 25.44
Accounting Clerk	15.00	21.33	13.75 - 19.55
Administrative Assistant	15.00	21.33	15.04 - 21.39
Bartender	15.00	21.33	15.00 - 21.33
Street Maintenance Technician	15.00	21.33	14.47 - 20.57
Customer Service Representative	14.20	20.19	13.75 - 19.55
Senior Services Activities Coordinator	14.20	20.19	
Event Representative - Community Center	14.20	20.19	
Volunteer Coordinator	14.20	20.19	13.75 - 19.55
Court Clerk	13.75	19.55	13.75 - 19.55
Maintenance/Custodial Worker	13.50	19.20	12.92 - 18.37
Groundskeeper	12.36	17.60	11.74 - 16.72
Operations Support Worker	12.36	17.58	10.64 - 15.13
Home Delivered Meals Coordinator	11.57	16.47	11.37 - 16.19
Receptionist	11.57	16.47	11.37 - 16.19
Custodian	11.16	15.87	10.64 - 15.13
Recreation Intern	10.00	14.22	10.00 - 14.22
Recreation Assistant	9.92	14.11	9.37 - 13.33
Senior Services Assistant	9.92	14.11	9.37 - 13.33
Recreation Aide	8.66	12.32	8.39 - 11.93
Senior Aide	8.66	12.32	8.39 - 11.93
Operations Support Assistant	8.66	12.32	8.39 - 11.93



# **Budget Glossary**

**Account**

A separate financial reporting unit for budgeting, management or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts. Several related accounts may be grouped together in a fund. A list is called a chart of accounts.

**Accounting Standards**

The generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) that guide the recording and reporting of financial information by state and local governments.

**Accrual Basis Accounting**

A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or sent.

**Actual vs. Budgeted**

Difference between the amounts projected (budgeted) in revenues or expenditures at the beginning of the fiscal year and the actual receipts or expenses, which are incurred by the end of the fiscal year.

**Ad Valorem Taxes**

Commonly referred to as property taxes. The charges levied on all real, and certain personal property according to the property's assessed value and the tax rate. Used as a source of monies to pay general obligation debt and to support the general fund.

**Adoption**

Formal action by the Town Council, which sets the spending limits for the fiscal years.

**Appropriation**

Specific amount of monies authorized by the Council for the purpose of incurring obligations and acquiring goods and services.

**Assessed Valuation**

A value set upon real and personal property by the Maricopa County Assessor for the purpose of levying property taxes.

**Asset**

The resources and property of the Town that can be used or applied to cover liabilities.

**Audit Report**

The report prepared by an auditor covering the audit or investigation of an entity's financial position for a given period of time, usually a year. As a general rule, the report should include: 1) a statement of the scope of the audit; 2) explanatory comments concerning exceptions from generally accepted auditing standards; 3) opinions; 4) explanatory comments concerning verification procedures; 5) financial statements and schedules; and 6) statistical tables, supplementary comments and recommendations. The auditors signature follows 3). The Town is required to have an annual audit conducted by qualified certified public accountants.

**Balanced Budget**

Arizona law (Title 42 Arizona Revised Statutes) requires the Town Council to annually adopt a balanced budget by purpose of public expense. State law defines this balanced

budget as “the primary property tax levy, when added together with all other available resources, must equal these expenditures.” The total of proposed expenditures will not exceed the total of estimated revenues and fund balances.

### **Base Budget**

The ongoing expense for personnel, contractual services, commodities, and the replacement of equipment to maintain service levels previously established by the Council.

### **Bond**

A written promise to pay a specified sum of money (called the principal amount) at a specified date or dates in the future (called the maturity dates), and carrying interest at a specified rate, usually paid periodically. The difference between a bond and a note is that a bond is issued for a longer period and requires greater legal formality.

Bonds are primarily used to finance capital projects. The most common types of bonds are:

**General Obligation (GO) Bond:** This type of bond is secured by the full faith, credit, and taxing power of the municipality.

**Revenue Bond:** This type of bond is secured by the revenues from a specific source such as gas taxes or water revenues.

### **Budget**

A financial plan of estimated expenditures and anticipated resources adopted for a specific period of time outlining a plan for achieving council goals and objectives.

### **Budgetary Basis**

The method used to determine when revenues and expenditures are recognized for budgetary purposes.

### **Capital Budget**

A spending plan for improvements to or acquisition of land, facilities and infrastructure that balances revenues and expenditures, specifies the sources of revenues, and lists each project or acquisition. Normally a capital budget must be approved by the legislative body. The capital budget and accompanying appropriation ordinance may be included in a consolidated budget document that has a section devoted to capital expenditures and another to operating expenditures. Or two separate documents may be prepared – one for the capital budget and one for the operating budget.

### **Capital Improvements**

Expenditures for the construction, purchase or renovation of Town facilities or property.

### **Capital Outlay**

Expenditures resulting in the acquisition of or addition to the Town’s fixed assets.

### **Carry Over**

Year-end savings that can be carried forward to cover any one-time expenses such as supplies, equipment, or special contracts.

### **Cash Basis**

A basis of accounting in which transactions are recognized only when cash amounts are increased or decreased.

**Contingency/Reserve**

An amount set aside as available, with Council approval, to cover unforeseen expenditures, emergency expenditures, or revenue short falls.

**Debt Limit**

Statutory or constitutional limit on the principal amount of debt that an issuer may incur (or that it may have outstanding at any one time).

**Debt Ratio**

Total debt divided by total assets.

**Debt Service**

Principal and interest payments on outstanding bonds.

**Debt Service Fund**

One or more funds established to account for revenues used to repay the principal and interest on debt.

**Department**

A functional group of the Town with related activities aimed at accomplishing a major Town service or program.

**Division**

A grouping of related activities within a particular department (example, Senior Services is a division of Parks & Recreation).

**Estimated Revenue**

The amount of projected revenue to be collected during the fiscal year.

**Expenditure**

If accounts are kept on the accrual basis, this term designates total charges incurred, whether paid or unpaid. If they are kept on the cash basis, the term covers only actual disbursements for these purposes.

**Expenditure Limitation**

An amendment to the Arizona State Constitution that limits annual expenditures of all municipalities. The Economic Estimates Commission, based on population growth and inflation sets the limit. All municipalities have the option of Home Rule where the voters approve a four-year expenditure limit based on revenues received.

**Fiscal Year**

Any period of twelve consecutive months establishing the beginning and the ending of financial transactions. For the Town of Fountain Hills, this period begins July 1 and ends June 30.

**Full-Time Equivalent Position (FTE)**

A position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be equivalent to a 0.5 FTE.

**Fund**

A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources.

**Fund Balance**

A balance or carry over that occurs when actual revenues exceed budgeted revenues and/or when actual expenditures are less than budgeted expenditures.

**General Fund**

The major fund in most governmental entities. While other funds tend to be restricted to a single purpose, the general fund is a catch all for general government purposes. The General Fund contains the activities commonly associated with municipal government, such as police and fire protection, parks and recreation.

**Highway Users Revenue Bond**

Proceeds used solely for street and highway purposes and require voter authorization. Bonds are payable from highway user revenue up to 50% of total received for the past twelve month period (stipulated by state law).

**Highway Users Revenue Fund (HURF)**

This revenue source consists of state taxes collected on gasoline, vehicle licenses, and a number of other additional transportation related fees. These funds must be used for street and highway purposes.

**Infrastructure**

Facilities that support the continuance and growth of a community. Examples include roads, water lines, sewers, public buildings, and parks.

**Intergovernmental Revenue**

Federal and state grants and other forms of revenue (e.g. state sales tax, state income tax, gasoline tax, motor vehicle license).

**Long Term Debt**

Debt with a maturity of more than one year after date of issuance.

**Management Indicators**

A measurable means of evaluating impact of budget on achieving stated objectives.

**Modified Accrual Basis of Accounting**

Basis of accounting according to which; a) revenues are recognized in the accounting period in which they become available and measurable, and b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

**Municipal Property Corporation (MPC) Bond**

Bonds that are backed by the excise taxes of the Town including local sales tax, franchise tax, state shared sales tax, and auto lieu tax. The MPC is a non-profit corporation established for the purpose of issuing debt to purchase municipal facilities, which it leases to the Town.

**Objectives**

A measurable output that an organization strives to achieve within a designated time frame. The achievement of the objective advances an organization toward a corresponding goal.

**Operating Budget**

Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing activities of the Town are controlled.

**Ordinance**

A formal legislative enactment by the Town Council.

**Performance Indicators**

Measurement of service performance indicators that reflect amount of money spent on services and the resulting outcomes at a specific level of services provided.

**Property Tax**

The total property tax levied by a municipality. Arizona's municipal property tax system is divided into a primary and secondary rate.

**Primary Tax**

Arizona statute limits the primary property tax levy amount and municipalities may use this tax for any purpose.

**Resolution**

A special or temporary order of the Town Council. Requires less formality than an ordinance.

**Resources**

Total amounts available for appropriation including estimated revenues, bond/loan proceeds, fund transfers, and beginning fund balances.

**Revenue**

Financial resources received from taxes, user charges, and other levels of government.

**Revenue Bonds**

Bonds whose principal and interest are payable exclusively from earnings of a revenue generating fund.

**Secondary Rate**

Arizona statute does not limit the secondary tax levy amount and municipalities may only use this levy to retire the principal and interest or redemption charges on bond debt.

Bonds whose principal and interest are payable exclusively from earnings of a revenue generating fund.

**Special Revenue Fund**

Accounts for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

**State-Shared Revenue**

Includes the Town's portion of state sales tax revenues, state income tax receipts, motor vehicle in-lieu taxes.

**Tax Levy**

The total amount of the general property taxes collected for purposes specified in the Tax Levy Ordinance.

**Tax Rate**

The amount of tax levied for each \$100 of assessed valuation.

**Transfer**

Movement of resources between two funds. Example: An interfund transfer would include the transfer of operating resources from the General Fund to the Street Fund.

